Strictly Confidential – Do Not Forward

THIS DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBs (AS DEFINED BELOW) UNDER RULE 144A UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR (2) PERSONS OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

Important: You must read this disclaimer before continuing. This disclaimer applies to the attached offering memorandum. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached offering memorandum. In accessing the attached offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of your representation: In order to be eligible to view the attached offering memorandum or make an investment decision with respect to the securities described therein, investors must be either (I) qualified institutional buyers ("QIBs") (within the meaning of Rule 144A under the Securities Act) or (II) persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. By accepting the e-mail and accessing the attached offering memorandum, you will be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) not located in the United States and that the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions or other areas subject to its jurisdiction and (2) you consent to the delivery of the attached offering memorandum and any amendments or supplements thereto by electronic transmission.

The attached offering memorandum has been made available to you in electronic form. You are reminded that documents may be altered when transmitted electronically and consequently none of the Co-Issuers (as defined in the attached offering memorandum) or The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and J.P. Morgan Securities plc (the "Initial Purchasers") or any of their respective directors, employees, representatives, affiliates or agents accept any liability or responsibility whatsoever in respect of any discrepancies between the offering memorandum distributed to you electronically and the hard copy version. A hard copy version will be provided to you upon request.

Restrictions: The attached offering memorandum is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein. The information in the attached offering memorandum is not complete and may be changed.

The securities have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities laws. Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation to subscribe for or purchase any of the securities described herein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any of the Initial Purchasers or any affiliate of any of the Initial Purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Initial Purchaser or affiliate on behalf of the Co-Issuers in such jurisdiction.

You are reminded that you have accessed the attached offering memorandum on the basis that you are a person into whose possession it may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If you have gained access to this electronic transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions that you may not take: You should not reply by e-mail to this communication, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You may not forward or deliver the attached offering memorandum, electronically or otherwise, to any other person or reproduce it in any manner whatsoever. Any forwarding, distribution or reproduction of the attached offering memorandum, in whole or in part, is unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the securities laws of other jurisdictions.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Confidential

(INCORPORATED IN INDIA WITH LIMITED LIABILITY)

US$60,000,000
6.67% SENIOR SECURED NOTES DUE 2024
TO BE ISSUED BY CERTAIN SUBSIDIARIES OF, AND INITIALLY GUARANTEED BY, RENEW POWER LIMITED

(to be consolidated and form a single series with the US$375,000,000 6.67% Senior Secured Notes due 2024)

Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited, each a company with limited liability incorporated under the laws of India (each, a "Co-Issuer," and collectively, the "Co-Issuers") and each a subsidiary of ReNew Power Limited (the "Company" or the "Parent Guarantor"), are offering US$60,000,000 in aggregate principal amount of their 6.67% Senior Secured Notes due 2024 (the "Notes"). The Notes shall constitute a further issuance of, and be fungible with and be consolidated and form a single series with the US$375,000,000 6.67% Senior Secured Notes due 2024 issued by the Co-Issuers on March 12, 2019 (the "Original Notes"). The Notes have the same terms and conditions as the Original Notes in all respects except for issue date and issue price. If the context so requires, the references to "Notes" in this offering memorandum will include the Original Notes. The total principal amount of the Notes to be issued is US$60,000,000. Upon the issue of the Notes, the aggregate principal amount of outstanding Notes and Original Notes will be US$435,000,000. Interest on the Notes will be payable semi-annually in arrears on each March 12 and September 12, commencing on September 12, 2019. The Notes will mature on March 12, 2024. The Notes of each Co-Issuer will be guaranteed by each of the other Co-Issuers (each, in such capacity, a "Guarantor", and collectively, the "Guarantors") and by the Parent Guarantor (each such guarantee, a "Guarantee", and collectively, the "Guarantees"). The Guarantee provided by the Parent Guarantor in respect of the Notes will automatically be released upon the satisfaction of certain conditions. See "*Description of the Notes – Guarantees*".

Application will be made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing of and quotation for the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Co-Issuers, its subsidiaries, its associates or the Notes.

At any time prior to March 12, 2021, the Co-Issuers may redeem the Notes, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Notes, plus the Applicable Premium (as defined herein), plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date. At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds from one or more sales of Equity Interests (as defined herein) of the Parent Guarantor, at a redemption price equal to 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, subject to certain conditions. At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds from one or more INVIT Offerings (as defined herein), at a redemption price equal to 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, subject to certain conditions. At any time on or after March 12, 2021, the Co-Issuers may redeem the Notes, in whole or in part, at the redemption prices set forth under "*Description of the Notes – Optional Redemptions*", plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date.

Not later than 30 days following the occurrence of a Change of Control Triggering Event (as defined herein), the Co-Issuers will make an offer to purchase all outstanding Notes at a purchase price equal to 101.0% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date (as defined herein). Subject to certain exceptions and as more fully described herein, the Notes may be redeemed at the option of the Co-Issuers or the Parent Guarantor, in whole but not in part, at a redemption price equal to 100.0% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, upon the occurrence of certain changes in applicable tax law and subject to certain conditions.

The Notes issued by a Co-Issuer are general obligations of such Co-Issuer, secured by the applicable Collateral (as described herein) (to the extent of the Notes in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) and will rank *pari passu* in right of payment with all other unsubordinated indebtedness of such Co-Issuer (including its Existing Senior Indebtedness (as defined herein)). A Guarantee provided by a Guarantor is a general obligation of such Guarantor and will rank *pari passu* in right of payment with all other unsubordinated indebtedness of such Guarantor (including its Existing Senior Indebtedness). The Guarantee provided by the Parent Guarantor is a general obligation of the Parent Guarantor and will rank *pari passu* in right of payment with all other unsubordinated indebtedness of the Parent Guarantor.

Each Co-Issuer will be required to (or in the case of certain assets, take all commercially reasonable steps to) create, perfect and register the security interest over the Collateral securing the Notes (to the extent of the Notes in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) within the respective time periods described in Annex A to the "*Description of the Notes*". The creation, perfection and registration of the security interest will be subject to various consents, approvals and authorizations from governmental authorities, counterparties and existing lenders and such consents, approvals or authorizations may not be forthcoming. Accordingly, the Collateral Documents will be entered into (or in the case of certain assets, all commercially reasonable steps are to be taken to enter into the Collateral Documents) no later than the respective time periods described in Appendix A to the "*Description of the Notes*". Until such a time as the Collateral Documents are entered into, the Notes will be unsecured. See "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The failure of the Restricted Group to properly (or to take all commercially reasonable steps to) create, perfect and register the security interests in the Collateral securing the Notes could result in an event of default under the Notes, and could impair the ability of the Holders to seek repayment.*"

Investing in the Notes involves a high degree of risk. See "*Risk Factors*" beginning on page 35.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act"), or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers ("QIBs") in accordance with Rule 144A under the Securities Act ("Rule 144A") and outside the United States in offshore transactions in accordance with Regulation S under the Securities Act ("Regulation S"). For a description of certain restrictions on resales and transfers, see "*Transfer Restrictions.*"

Delivery of the Notes is expected to be made through the facilities of The Depository Trust Company ("DTC") on or about March 26, 2019.

The Notes which are offered and sold in offshore transactions in reliance on Regulation S will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Regulation S Global Notes"). The Notes which are offered and sold in reliance on Rule 144A will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Rule 144A Global Notes" and, together with the Regulation S Global Notes, the "Global Notes"). The Global Notes will be deposited on or about March 26, 2019 with a custodian (the "Custodian") for, and registered in the name of, Cede & Co. as nominee for DTC.

Joint Lead Managers

HSBC **J.P. MORGAN**

The date of this offering memorandum is March 15, 2019.

NOTICE TO INVESTORS

This offering memorandum is not an offer to sell the Notes and is not soliciting an offer to buy the Notes in any jurisdiction in which the offer or sale is prohibited.

Neither the delivery of this offering memorandum nor any sale made under the terms described herein shall imply that the information herein is correct as at any date after the date hereof. The business, financial condition, results of operations and prospects of the Restricted Group and the Company may have changed since that date.

This offering memorandum has not been and will not be registered as a prospectus or a statement in lieu of a prospectus with the Registrar of Companies in India. This offering memorandum has not been and will not be reviewed or approved by any regulatory authority in India, including the Securities and Exchange Board of India, any Registrar of Companies or any stock exchange in India. This offering memorandum is not and should not be construed as an advertisement, offer, invitation to offer, invitation to subscribe, or sale, of any securities to the public or any person resident in India. This offering memorandum or any other document or material relating to the Notes has not been and will not be circulated or distributed in India, directly or indirectly, to the public or members of the public in India. The Notes have not been, and will not be, offered or sold to any person resident in India. If you purchase any of the Notes, you will be deemed to have acknowledged, represented and agreed that you are eligible to purchase the Notes under applicable laws and regulations and that you are not prohibited under any applicable law or regulation from acquiring, owning or selling the Notes.

This offering is being made in reliance upon exemptions from registration under the Securities Act, for an offer and sale of securities which does not involve a public offering. If you purchase any of the Notes, you will be deemed to make certain acknowledgments, representations and agreements set forth under "*Transfer Restrictions*." You may be required to bear the financial risks of this investment for an indefinite period of time.

This offering memorandum does not constitute a prospectus for the purposes of the Prospectus Rules of the United Kingdom's Financial Conduct Authority ("FCA") or section 85 of the United Kingdom's Financial Services and Markets Act 2000 (as amended) ("FSMA") and has not been, and will not be, approved by or filed with the FCA. This offering memorandum does not constitute an offer or any part of an offer to the public within the meaning of sections 85 and 102B of FSMA.

The Restricted Group and the Company prepared this offering memorandum solely for use in connection with this offering. In accepting this offering memorandum, you have agreed that this offering memorandum is confidential and that you will hold the information contained herein in confidence. The Restricted Group and the Initial Purchasers reserve the right to reject any offer to purchase any of the Notes for any reason, or to sell less than the principal amount of the Notes for which any prospective purchaser has subscribed. This offering memorandum is personal to each offeree and is not an offer to any other person or to the public generally to subscribe for the Notes. You represent that you are basing your investment decision solely on this offering memorandum and your own examination of the Restricted Group, the Company and the terms of this offering. You cannot distribute this offering memorandum or the information contained in it, by electronic or other means, to any person other than your professional advisor without the Company's prior written consent. You cannot make any photocopies of this offering memorandum.

By receiving this offering memorandum and by purchasing the Notes, you acknowledge that (1) you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with investigating the accuracy of such information or your investment decision, and (2) no person has been authorized to give information or to make any representation concerning the Restricted Group, the Company or the Notes other than as contained in this offering memorandum and information given by the Restricted Group's duly authorized representatives in connection with your examination of the Restricted Group and the terms of this offering. You cannot rely on any such other information or representation.

Neither the Initial Purchasers nor the Trustee makes any representation or warranty, express or implied, concerning the accuracy or completeness of the information in this offering memorandum, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation, from the Initial Purchasers or the Trustee whether as to the past or the future. To the fullest extent permitted by law, none of the Initial Purchasers accept any responsibility for the contents of this offering memorandum or for any statement made or purported to be made by the Initial Purchasers or on their behalf in connection with the Restricted Group or the Company or the issue and offering of the Notes. The Initial Purchasers and the Trustee accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this offering memorandum or any such statement.

The contents of this offering memorandum do not constitute legal, business or tax advice, and neither the Restricted Group, the Company nor the Initial Purchasers make any representation to any purchaser of the Notes regarding the legality of an investment in the Notes by such purchaser under any legal investment or similar laws or regulations. You should consult your own attorney, business advisor and tax advisor as to legal, business or tax advice related to a purchase of the Notes.

You must comply with all applicable laws and regulations in any jurisdiction in which you purchase, offer or sell the Notes. Neither the Restricted Group, the Company nor the Initial Purchasers have any responsibility for any purchase, offer or sale of the Notes by you.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Co-Issuers have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In connection with the issue of the Notes, J.P. Morgan Securities plc (the "Stabilization Manager") or any person acting on behalf of the Stabilization Manager may, to the extent permitted by applicable laws and directives, over-allot the Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail, but, in so doing, the Stabilization Manager or any person acting on behalf of the Stabilization Manager shall act as principal and not as agent of the Co-Issuers. However, there is no assurance that the Stabilization Manager or any person acting on behalf of the Stabilization Manager will undertake stabilization action. Any loss or profit sustained as a consequence of any such overallotment or stabilization shall be for the account of the Initial Purchasers.

PRIIPS REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

U.S. INFORMATION

This offering memorandum is being submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Notes. Its use for any other purpose in the United States is not authorized. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

For this offering of Notes, the Co-Issuers, the Parent Guarantor and the Initial Purchasers are relying upon exemptions from registration under the Securities Act for offers and sales of securities which do not involve a public offering, including Rule 144A. The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Notes are being offered and sold outside the United States in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A.

Prospective investors are hereby notified that sellers of the Notes may be relying on the exemption from the provision of Section 5 of the Securities Act provided by Rule 144A. The Notes are subject to restrictions on transferability and resale. Purchasers of the Notes may not transfer or resell the Notes except as permitted under the Securities Act and applicable state securities laws.

For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of this offering memorandum, see "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of this offering memorandum. Any representation to the contrary is a criminal offence in the United States.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with resales of the Notes, the Co-Issuers and the Parent Guarantor will furnish, upon request of a holder of the Notes and a prospective purchaser designated by a holder, the information required to be delivered under Rule 144A(d)(4) if at the time of such request they are neither a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

PRESENTATION OF FINANCIAL AND OTHER DATA

Unless otherwise specified or the context otherwise requires:

- the "Company" refers to ReNew Power Limited;
- the "Co-Issuer" refers to any of Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited and the term "Co-Issuers" refers to all of them;
- "fiscal year" refers to the fiscal year ended or ending on March 31 of the year indicated;
- the "Group" refers to the Company and its subsidiaries and joint ventures;
- "Ostro Energy" refers to Ostro Energy Private Limited and its subsidiaries and joint ventures; and
- the "Restricted Group" refers to the Co-Issuers.

Financial Statements

Financial statements of the Restricted Group

This offering memorandum includes the Restricted Group's audited special purpose combined financial statements as at and for the years ended March 31, 2016, 2017 and 2018 and unaudited special purpose interim combined financial statements as at and for the nine months ended December 31, 2017 and 2018. These financial statements have been prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India and presented in Indian rupees. These financial statements have been prepared on a basis that combines the balance sheet, profit and loss account and cash flows of the legal entities comprising the Restricted Group entities as per the principles elaborated in the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, and presented in Indian rupees. As the Restricted Group did not constitute a separate legal group of entities for the periods presented, these financial statements are not necessarily indicative of the financial condition, results of operations and cash flows of the Restricted Group that would have occurred if it had operated as a standalone group of entities during the periods presented. The Restricted Group's audited special purpose combined financial statements as at and for the years ended March 31, 2016, 2017 and 2018 have been audited by S.R. Batliboi & Co. LLP, and their auditor's reports thereon are included herein. The Restricted Group's unaudited special purpose interim combined financial statements as at and for the nine months ended December 31, 2017 and 2018 have been reviewed by S.R. Batliboi & Co. LLP, and their limited review reports thereon are included herein.

Financial statements of the Group

This offering memorandum includes the Group's audited consolidated financial statements as at and for the years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 and reviewed interim consolidated financial statements as at and for the nine months ended December 31, 2018. These financial statements have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. These financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are given in section "Critical Accounting Policies" in this offering memorandum. The Group's audited consolidated financial statements as at and for the years ended March 31, 2017 and 2018 and for the nine months ended December 31, 2017 have been audited by S.R. Batliboi & Co. LLP, and their auditor's reports thereon are included herein. The Group's reviewed interim consolidated financial statements as at and for the nine months ended December 31, 2018 have been reviewed by S.R. Batliboi & Co. LLP, and their limited review report thereon is included herein. The Group's financial information as on and for the year ended March 31, 2016 has been extracted from the comparatives as presented in the audited financial statements of the Group as on and for the year ended March 31, 2017.

Financial statements of Ostro Energy

This offering memorandum includes the audited consolidated financial statements of Ostro Energy as at and for the year ended March 31, 2018. These financial statements have been prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Company Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. These financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are given in section "Critical Accounting Policies" in this offering memorandum. These financial statements have been audited by S.R. Batliboi & Co. LLP, and their auditor's report thereon is included herein.

Ind AS

Ind AS differs from International Financial Reporting Standards ("IFRS") and accounting principles generally accepted in the United States. For a discussion of certain significant differences between Ind AS and IFRS, see "*Description of Certain Differences Between Ind AS and IFRS.*" Potential investors should consult their own professional advisors for an understanding of the differences between Ind AS and IFRS and how these differences might affect their understanding of the financial information contained herein.

The financial figures of the Restricted Group, the Group and Ostro Energy in this offering memorandum are based on Ind AS. Combined financial statements of the Restricted Group, wherever referenced in this offering memorandum, have been prepared using the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India in addition to the applicable Ind AS.

EBITDA and Non-Ind AS Financial Measures

This offering memorandum contains EBITDA and certain non-Ind AS measures and ratios, including EBITDA margin, that are not required by, or presented in accordance with, SEC requirements, Ind AS or the accounting standards of any other jurisdiction. The Restricted Group presents EBITDA and certain non-Ind AS measures for the Group and the Restricted Group because management uses them in measuring operating performance, in presentations to the Group's directors and as a basis for strategic planning and forecasting, as well as monitoring certain aspects of the Group's and the Restricted Group's operating cash flow and liquidity. The Restricted Group also believes that EBITDA and certain non-Ind AS measures and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

For the Group, "EBITDA" is calculated by adding depreciation and amortization expense, finance costs and share in profit/(loss) of jointly controlled entities to profit/(loss) before tax. For the Restricted Group, "EBITDA" is calculated by adding depreciation and amortization expense and finance costs to profit/(loss) before tax. "EBITDA Margin" for each of the Group and the Restricted Group is calculated as EBITDA divided by total income. EBITDA as defined by the Restricted Group is different from Combined EBITDA as defined in the indenture governing the Notes. See "*Description of the Notes – Certain Definitions.*"

EBITDA and non-Ind AS measures should not be considered in isolation and are not measures of the financial performance or liquidity of the Group or Restricted Group under Ind AS and should not be considered as an alternative to operating profit or loss for the period or any other performance measures derived in accordance with Ind AS or as an alternative to cash flow from operating, investing or financing activities or any other measure of the Group's liquidity derived in accordance with Ind AS. The EBITDA and non-Ind AS measures of the Group and the Restricted Group do not necessarily indicate whether cash flow will be sufficient or available for cash requirements and may not be indicative of the results of operations of the Group and the Restricted Group.

The EBITDA and non-Ind AS measures of the Group and the Restricted Group may not be comparable to other similarly titled measures of other companies. The EBITDA and non-Ind AS measures of the Group and the Restricted Group have limitations as analytical tools. Some of these limitations include the following: (i) they do not reflect the Group's and the Restricted Group's capital expenditures, their future requirements for capital expenditures or their contractual commitments; (ii) they do not reflect changes in, or cash requirements for, their working capital needs; (iii) they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on their debt; (iv) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced and they do not reflect any cash requirements that would be required for such replacements; and (v) other companies may calculate these measures differently from the way the Group and the Restricted Group do, limiting their usefulness as comparative measures.

Due to these limitations, none of the Group's and the Restricted Group's EBITDA or non-Ind AS measures should be considered as measures of discretionary cash available to the Group or the Restricted Group to invest in the growth of their business or as measures of cash that will be available to them to meet their obligations. You should compensate for these limitations by relying primarily on the Ind AS results of the Group and the Restricted Group and using these EBITDA and non-Ind AS measures only to supplement your evaluation of their performance.

Rounding

Certain amounts in this offering memorandum have been rounded. Accordingly, amounts shown as totals may not be the arithmetic sum of the amounts that precede them.

Currency Translations

This offering memorandum contains translations of Indian rupee amounts to U.S. dollars solely for the convenience of the reader. Unless otherwise stated, all translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. No representation is made that the Indian rupee amounts referred to in this offering memorandum have been, could have been or could be converted into U.S. dollars at that rate or any other rate.

Currency Presentation

Unless otherwise specified or the context otherwise requires, all references to "rupee(s)," "Rs.," "Indian rupee(s)" and "INR" are to the lawful currency of India and all references to "$," "US$" and "U.S. dollar(s)" are to the lawful currency of the United States.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data in this offering memorandum has been obtained through internal company research, management estimates and industry and general publications. Management estimates are based on publicly available information released by third party sources, data from the Restricted Group's internal research and its knowledge of industries and markets, which the Restricted Group believes to be reasonable.

This offering memorandum includes industry and market data that the Restricted Group has obtained from industry publications, including an industry report entitled "*Outlook on Renewable Energy Market in India*" dated February 2019 that the Company has commissioned from CRISIL Limited. The industry report represents data, research opinion or viewpoints published, and is not a representation of fact. The industry report speaks as at its original publication date (and not as at the date of this offering memorandum) and the opinions expressed in such industry report are subject to change without notice. Industry publications generally state that the information contained in those publications has been obtained from sources that are believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Restricted Group believes that the industry and market data in this offering memorandum is reliable, it has not been verified by the Restricted Group, the Initial Purchasers or any independent source nor does the Restricted Group make any representation regarding the accuracy of such data. The market data include projections that are based on a number of assumptions. In addition, the extent to which the market data presented in this offering memorandum is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data-gathering methodologies in the industry in which Restricted Group conducts its business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information.

CERTAIN DEFINITIONS

Unless otherwise specified or the context otherwise requires, in this offering memorandum:

- "**APSPDCL**" refers to Southern Power Distribution Company of Andhra Pradesh Limited;

- "**AVVNL**" refers to Ajmer Vidyut Vitran Nigam Limited;

- "**CAGR**" refers to compound annual growth rate, which is;

$$\text{CAGR} = \left[\frac{\text{Ending Value}}{\text{Beginning Value}}\right]^{\left[\frac{1}{\#\text{ of years}}\right]} - 1$$

- "**BESCOM**" refers to Bangalore Electricity Supply Company Limited;

- "**CCD**" refers to compulsorily convertible debenture;

- "**CERC**" refers to the Central Electricity Regulatory Commission of India;

- "**Companies Act**" refers to the Companies Act 2013 and/or the Companies Act 1956, as applicable;

- "**Companies Act 1956**" refers to the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the sections of the Companies Act 2013) along with the relevant rules, regulations, clarifications and modifications thereunder;

- "**Companies Act 2013**" refers to the Companies Act, 2013, as amended and to the extent effective, read with the rules, regulations, clarifications and modifications thereunder;

- "**Consultant's Report**" refers to Consultant's Report titled '*EBITDA Projections*' dated February 2019;

- "**CRISIL**" means CRISIL Limited;

- "**CRISIL Report**" refers to CRISIL's report titled "*Outlook on the Renewable Energy Market in India*" dated February 2019;

- "**DSCR**" refers to debt service coverage ratio;

- "**ECB Guidelines**" refers to Master Directions on External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorized Dealers and Persons other than Authorized Dealers dated January 1, 2016, as amended and replaced from time to time, Circular No. 17 (CRBI/2018-19/109) titled 'External Commercial Borrowings (ECB Policy) – New ECB framework' dated January 16, 2019 issued by the RBI, the Foreign Exchange Management Act, 1999, as amended from time to time, the Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2018, as amended from time to time, and the Foreign Exchange Management (Transfer of Issue of any Foreign Security) Regulations, 2004 as amended from time to time, and other applicable laws in connection herewith;

- "**Eligible Green Project**" means any renewable energy project in the Group which meets the requirements set out in the Green Bond Framework. See "*Green Bond Framework Overview*";

- "**FACR**" refers to fixed asset coverage ratio;
- "**FATF**" refers to Financial Action Task Force;
- "**FICCI**" refers to the Federation of Indian Chambers of Commerce and Industry;
- "**GESCOM**" refers to Gulbarga Electricity Supply Company Limited;
- "**GoI**" refers to the government of India;
- "**Government**" refers to state governments in India;
- "**GPCL**" refers to Gujarat Power Corporation Limited;
- "**GUVNL**" refers to Gujarat Urja Vikas Nigam Limited;
- "**HESCOM**" refers to Hubli Electricity Supply Company Limited;
- "**IREDA**" refers to the Indian Renewable Energy Development Agency Limited;
- "**JDVVNL**" refers to Jodhpur Vidyut Vitran Nigam Limited;
- "**JVVNL**" refers to Jaipur Vidyut Vitran Nigam Limited;
- "**Kanak Renewables**" refers to Kanak Renewables Limited;
- "**KPMG**" means KPMG India Private Limited;
- "**MEPC**" refers to Mahindra EPC Services Private Limited;
- "**MESCOM**" refers to Mangalore Electricity Supply Company Limited;
- "**MPPMCL**" refers to Madhya Pradesh Power Management Company Limited;
- "**MSEDCL**" refers to Maharashtra State Electricity Distribution Company Limited;
- "**NVVN**" refers to NTPC Vidyut Vyapar Nigam Ltd;
- "**NTPC**" refers to NTPC Limited;
- "**NCD**" refers to negotiable certificate of deposit;
- "**PFC**" refers to Power Finance Corporation Limited;
- "**PGCIL**" refers to Power Grid Corporation of India Limited;
- "**Pro Forma Financial Information**" has the meaning set out in "Unaudited Pro Forma Condensed Financial Information";
- "**PSU**" refers to public sector undertaking;
- "**PTC**" refers to PTC India Limited;
- "**Rajat Renewables**" refers to Rajat Renewables Limited;

- "**RBI**" refers to the Reserve Bank of India;
- "**ReNew Clean Energy**" refers to ReNew Clean Energy Private Limited;
- "**ReNew Saur Urja**" refers to ReNew Saur Urja Private Limited;
- "**ReNew Solar Energy**" refers to ReNew Solar Energy (Telangana) Private Limited;
- "**ReNew Wind Energy (Budh 3)**" refers to ReNew Wind Energy (Budh 3) Private Limited;
- "**ReNew Wind Energy (Devgarh)**" refers to ReNew Wind Energy (Devargh) Private Limited;
- "**ReNew Wind Energy (Rajasthan 3)**" refers to ReNew Wind Energy (Rajasthan 3) Private Limited;
- "**RLD**C" refers to Regional Load Despatch Centre;
- **"RREC**" refers to Rajasthan Renewable Energy Corporation Limited;
- "**SECI**" Solar Energy Corporation of India;
- "**SERC**" refers to a State Electricity Regulatory Commission;
- "**TANGEDCO**" refers to Tamil Nadu Generation and Distribution Corporation Limited;
- "**TSSPDCL**" refers to Telangana State Southern Power Distribution Company Limited; and
- "**TSNPDCL**" refers to Telangana State Northern Power Distribution Company Limited.

GLOSSARY OF TECHNICAL INDUSTRY TERMS

- "**APPC**" refers to average power purchase cost of electricity;
- "**BOP**" refers to balance of plant;
- "**CER**" refers to certified emission reduction;
- "**COD**" refers to commercial operation date;
- "**CUF**" refers to capacity utilization factor and "**PLF**" refers to plant load factor, both of which refer to a project's actual generation output over the stated period of time as a percentage of its installed capacity;
- "**EPC**" refers to engineering, procurement and construction;
- "**ERPA**" refers to emission reduction purchase agreement;
- "**FiT**" refers to feed-in tariff;
- "**GBI**" refers to generation based incentives;
- "**GW**" refers to gigawatt;
- "**GWh**" refers to an hour during which one GW of electrical power has been continuously produced;
- "**IPP**" refers to independent power producer;
- "**kV**" refers to kilovolt;
- "**kW**" refers to kilowatt;
- "**kWh**" refers to an hour during which one kW of electrical power has been continuously produced;
- "**MkWh**" refers to an hour during which one million kW of electrical power has been continuously produced;
- "**MW**" refers to megawatt;
- "**MWDC**" refers to megawatt of direct current;
- "**MWh**" refers to an hour during which one MW of electrical power has been continuously produced;
- "**OEM**" refers to original equipment manufacturer;
- "**O&M**" refers to operation and maintenance;
- "**PPA**" refers to power purchase agreement;
- "**PVSyst**" refers to the software provided by PVSyst SA;
- "**RE**" refers to renewable energy;
- "**REC**" refers to renewable energy certificate;

- "**RPO**" refers to Renewable Purchase Obligation;

- "**SVAGRIHA**" refers to Griha Council's small, versatile and affordable green rating for integrated habitat assessment; and

- "**UDAY**" refers to Ujwal DISCOM Assurance Yojana.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains both historical and forward-looking statements. Forward-looking statements may contain words such as “aim,” “anticipate,” “believe,” “estimate,” “expect,” “goal” “intend,” “plan,” “seek,” “will” and similar expressions. Similarly, statements that describe the strategies, objectives, plans or goals of the Restricted Group or the Group are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant statement.

The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the control of the Restricted Group or the Group, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of and the environment in which the Group will operate and are not a guarantee of future performance. Important factors that could cause the actual results, performance or achievements to differ materially from those in the forward-looking statements include the following:

- conditions at the Group’s projects that are unfavorable or below the Group’s estimates;
- operational problems that may reduce energy production below the Group’s expectations and require the Group to expend significant amounts of capital and other resources;
- the Group’s inability to construct its projects on time and/or on budget;
- credit and performance risk from third parties under service and supply contracts;
- the ability of the Group’s vendors to satisfy their obligations under warranties and guarantees;
- reliance on a limited number of key customers who may not fulfill their contractual obligations;
- the Group’s inability to procure, renew or maintain necessary governmental approvals and permits to construct and operate its projects;
- the Group’s inability to develop existing sites and to find new sites suitable for the development of renewable energy projects;
- an increase in the cost of operating the Group’s power plants;
- the Group’s inability to renew or retain its statutory or regulatory permits and approvals;
- changes in environmental, health and safety laws and regulations;
- changes in government policies that support renewable energy;
- availability of and access to interconnection facilities and transmission systems;
- negative public or community response to renewable energy projects in general or the Group’s projects specifically;
- competition from traditional and renewable energy sources;
- additional risks arising from the future growth of the Group’s portfolio;
- fluctuations in supply and demand in the energy market in India;

- the effects of current or future litigation or administrative proceedings;
- natural events that may reduce energy production below the Group's expectations;
- the Group's inability to insure against all potential risks and higher insurance premiums;
- the Group's inability to make accurate projections and underlying assumptions;
- the Group's inability to finance the growth of its business;
- loss of one or more members of the Group's senior management or key employees;
- currency exchange rate fluctuations;
- the Group's substantial amount of debt;
- the Group's failure to manage its growth; and
- violations under anti-corruption legislation.

Additional factors that could cause the actual results, performance or achievements to differ materially include those discussed under "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*." When relying on forward-looking statements, including projections, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which the Group operates. Such forward-looking statements speak only as at the date on which they are made. Accordingly, neither the Restricted Group nor the Company undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Neither the Restricted Group nor the Company makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved. Accordingly, you should not place undue reliance on any forward-looking statements. Please see "*Risk Factors – Risks Relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate.*"

EXCHANGE RATES

The following table sets forth, for the periods indicated, the average, high, low and period end exchange rate for one U.S. dollar, expressed in Indian rupees per US$1.00 as published by the Reserve Bank of India. No representation is made that the Indian rupee amounts set forth herein and referred to elsewhere this offering memorandum have been, could have been or could be converted into U.S. dollars or Rupees, as the case may be, at any particular rate, the rates stated below or at all.

Year ended March 31,	Average[(1)]	High	Low	Period end
		(Rs. per US$)		
2014	60.50	68.36	53.74	60.10
2015	61.15	63.75	58.43	62.59
2016	65.46	68.78	62.16	66.33
2017	64.83	67.08	68.72	64.83
2018	68.37	74.39	63.35	69.79
Month				
April 2018	65.64	66.83	64.93	66.78
May 2018	67.54	68.39	66.61	67.45
June 2018	67.79	68.94	67.02	68.58
July 2018	68.69	69.05	68.30	68.61
August 2018	69.55	70.93	68.36	70.93
September 2018	72.22	72.81	70.77	72.55
October 2018	73.66	74.39	72.80	73.99
November 2018	71.79	73.83	69.66	69.66
December 2018	70.73	72.04	69.79	69.79
January 2019	70.73	71.38	69.48	71.03
February 2019	71.22	71.75	70.55	71.20
March 2019 (through March 13, 2019)	70.20	70.97	69.60	69.62

Source: Reserve Bank of India

(1) The average rate for each period represents the average of the daily exchange rates for the period.

On March 13, 2019, the exchange rate was Rs.69.62 per US$1.00.

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SUMMARY

This summary highlights certain information contained in this offering memorandum. This overview does not contain all the information you should consider before investing in the Notes. You should read this entire offering memorandum carefully, including "Risk Factors," and the financial statements and related notes thereto set forth herein, before making an investment decision.

Overview

We are the largest renewable energy IPP in India in terms of total energy generation capacity (Source: CRISIL Report). As at December 31, 2018 we had a total capacity of approximately 6.46 GW, comprising 4.24 GW of operational capacity and 2.22 GW of capacity under development. We develop, build, own and operate utility scale wind and solar energy projects as well as distributed solar energy projects that generate energy for commercial and industrial customers.

We have a strong track record of organic and inorganic growth having nearly doubled our operational capacity in each of the years ended March 31, 2016, 2017 and 2018. We have achieved a market leading position in the Indian renewable energy industry against the backdrop of the GoI's policies to promote the growth of the industry. We have a robust balance sheet and demonstrated access to diversified pools of capital from Indian and international investors, lenders and other capital providers. We are a professionally managed company and our senior management led by our Chairman and Managing Director, Sumant Sinha, has extensive experience across our operational and strategic focus areas.

We were founded in 2011 and commenced operations in 2012 with our first project which had a capacity of 25.20 MW and is located in Jasdan, Gujarat. We achieved our initial 100 MW of installed capacity in March 2013, and developed our first 50 MW group captive consumer project in May 2013. In July 2014, we developed our first distributed solar project of 300 kWp and we commissioned our first utility scale solar project, with a capacity of 50 MW in June 2015. We increased our operational capacity from 545.76 MW as at March 31, 2015 to 986.90 MW as at March 31, 2016 and became the first Indian renewable energy IPP to exceed 1 GW of operational capacity in April 2016. We then doubled our operational capacity to 1.99 GW as at March 31, 2017 and again more than doubled it to 4.24 GW as at December 31, 2018. Our growth in operational capacity has been contributed to by our acquisitions of KCT and its portfolio of 103.10 MW of wind energy projects in November 2017, and our acquisition of Ostro Energy and its portfolio of 1,108.10 MW of wind and solar energy projects in March 2018 of which 858.10 MW of projects were operational.

As at December 31, 2018, our portfolio of projects comprised:

- 4,166 MW operational utility scale projects, 2,211 MW under development utility scale projects and 85 MW distributed solar projects with a combined capacity of 6,462 MW, comprising:
    - 2,925 MW operational and 1,351 MW under development wind energy projects with a total capacity of 4,276 MW;
    - 1,241 MW operational and 860 MW under development solar energy projects with a total capacity of 2,101 MW; and
    - 70.40 MW operational and 14.27 MW under development distributed solar projects with a total capacity of 84.67 MW.
- 287.8 MW wind and utility scale solar projects under development which are expected to be commissioned in the year ending March 31, 2019, which includes 228.1 MW already commissioned and 59.7 MW under development and 2,151.2 MW which are expected to be commissioned in the year ending March 31, 2020.

Overview of the Restricted Group

The Restricted Group represents a collection of wind and solar power projects that are large in size, operational, diversified across states and have long-term power purchase agreements.

The Restricted Group's portfolio of assets comprises:

- eleven operational projects with a combined installed capacity of 636 MW as at December 31, 2018 comprising:
    - seven operational solar energy projects with a total installed capacity of 354 MW; and
    - four operational wind energy projects with a total installed capacity of 282 MW.

The Restricted Group accounted for 15% of the Group's operating capacity as at December 31, 2018. The total income of the Restricted Group accounted for 15% and 14% of the Group's total income for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively and EBITDA of the Restricted Group accounted for 16% and 13% of the Group's EBITDA for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively.

The Restricted Group operates wind energy and utility scale solar projects. The projects comprising the Restricted Group have been selected with due consideration for their stage of operations, diversification by wind and solar as well as by geography and offtaker. The Restricted Group comprises 11 operational projects with a combined installed capacity of 636 MW as at December 31, 2018.

Strengths

The Group believes it has the following competitive strengths.

We believe we have the following competitive strengths.

Disciplined project selection and execution

Our ability to select and execute projects in a disciplined manner has aided our growth while supporting our aim of meeting our targeted returns from our projects. In the case of wind energy projects, we have developed capabilities in forecasting and determining wind resource availability that enhance the effectiveness of our turbine site selection. Our wind resource forecasts are validated by independent third parties and we use a network of masts at various locations across India to collect wind site data continuously. This gives us the ability to respond quickly to bid requests and estimate operating parameters more accurately as we normally shortlist a potential wind energy project for bidding only after collecting the relevant mast data. In the case of solar energy projects, we have developed effective EPC capabilities and expertise in project design, construction, procurement and installation. Our in-house solar EPC team executed approximately 880 MW of capacity, representing 80% of our organic utility scale solar operational capacity as at December 31, 2018.

Our investments in projects are subject to a rigorous and thorough internal process pursuant to which proposed investments are evaluated and appraised at multiple levels by the relevant internal teams, culminating in our independent Investment Committee presenting a final proposal to the Board for its approval. We follow a similarly robust, multi-stage approval process when considering inorganic growth opportunities.

These capabilities, together with our expertise in identifying and acquiring appropriate land for our projects, have helped us achieve our targeted returns and operational performance. Securing appropriate land (whether in terms of suitably sited locations for our wind energy projects or sufficient contiguous land for our utility scale solar energy projects) has been key to our business success. We have built local teams and worked closely with land aggregators to identify and secure land for our projects amounting to over 10,000 acres. In addition, we are experienced in working with multiple local, state and national governmental authorities to obtain land and secure necessary project approvals, including for evacuation infrastructure.

We carefully evaluate evacuation infrastructure and grid availability at our project locations and our project execution capabilities include building and maintaining the necessary evacuation and transmission infrastructure, in accordance with the terms of our PPAs, where required to ensure reliable offtake. In addition, we evaluate the regulatory landscape (including any curtailment issues) as well as the quality of the offtakers for our projects. We also ensure that we partner as required with reputed OEMs with appropriate resources to support our execution efforts including provision of transmission infrastructure, technical support and maintenance services.

Project portfolio diversification across resource, geography, offtakers and vendors

Our portfolio of projects, including those under development, is well diversified between wind and solar projects across geographies and is also diversified across our offtakers and vendors. This diversification mitigates against operational volatility due to seasonal weather conditions and reduces concentration risk. As at December 31, 2018, our total portfolio of projects (including both operational and under development projects) had an aggregate capacity of approximately 6.46 GW, of which 4.28 GW constituted operational and under development utility scale wind energy projects and 2.18 GW constituted operational and under development utility scale and distributed solar energy projects. Our wind and solar utility scale projects were located in eight states across India as at December 31, 2018, with no single state contributing more than 25% of our total utility scale wind and solar energy operational capacity.

As at December 31, 2018, 89% of the PPAs signed had a term of 20 to 25 years, and 11% of them had a term between 8 to 20 years. Our offtakers include central government agencies, public utilities (specifically state electricity utilities) and private industrial and commercial consumers. We particularly focus on the credit profile of our offtakers and about 71% of our total offtake comprises central government agencies (NTPC, SECI, PTC), State Nodal Agency (RRECL) and distribution utilities rated B+ or above by the Ministry of Power. As at December 31, 2018, no single offtaker accounted for more than 16% of our total utility scale wind and solar energy capacity.

We work with a range of OEM suppliers for sourcing wind and solar equipment and no single OEM contributed more than 41.5% of wind turbines of the total contracted wind capacity and no single module supplier contributed more than 22% of solar module panels of the total contracted solar capacity as at December 31, 2018. We work with a number of wind OEM providers for O&M services. We largely undertake O&M services required for our solar energy projects in-house.

The Restricted Group's portfolio of projects is well diversified between wind and solar projects, with total capacity comprised of 44% wind and 56% solar projects. The Restricted Group's portfolio of projects is also diversified across geographies, with no state contributing more than 36.5% of the Restricted Group's installed capacity, and across its offtakers and vendors, with no single vendor constructing more than 27.1% of the total capacity. All of the Restricted Group's projects are operational and have no capital expenditure requirements.

Operational and business systems excellence

We have a track record of operating and maintaining our projects at high levels. Our Board closely monitors individual project performance and actively guides our senior management in addressing any operational issues. We run robust O&M procedures across our wind and solar energy projects, working with third party vendors in the case of wind energy projects (given proprietary technology) and largely internally in the case of solar energy projects. We closely monitor vendor performance on projects where we have outsourced O&M to ensure they are performing at our expected generation levels.

Our projects have performed at high levels owing in large part to our proactive equipment maintenance and equipment management capabilities including through turbine, solar array and other equipment performance audits. We rigorously monitor the performance of our wind and solar energy projects from a central site, the ReNew Power Diagnostics Centre, which is staffed by a dedicated performance monitoring team. Our diagnostics center enables us to continuously track real time data on actual energy generation at each site and identify anomalies, if any, so that we can make the necessary operational interventions promptly to address any issues with minimal loss in generation. Our performance monitoring team also analyzes each project to identify systemic problems impacting a project as well as anticipate potential faults, which we can rectify in advance.

We also use Lost Production Factor ("LPF") as a key operational performance metric to improve operational efficiency. LPF allows us to more precisely measure losses on account of our operations (in varying criteria arising from grid issues and curtailment, and preventive or curative maintenance stoppages) over potential generation.

We also continue to invest in our related business systems and capabilities to evaluate new technological products, increase business process automation and more effectively control our supply chain and contract management functions.

Efficient capital structure with access to multiple funding sources

We benefit from a robust balance sheet, which we leverage prudently to support our growth. We have raised a mix of equity, project finance and corporate debt. Our equity investors include a broad cross-section of well-known international private equity, sovereign wealth and pension funds as well as renewables and infrastructure focused investors. We also have access to a range of project finance and debt instruments from multiple Indian and international investors.

Our broad base of equity investors include Goldman Sachs, JERA, ADIA, CPPIB, ADB (exited January 2018) and GEF SACEF India. In the years ended March 31, 2016, 2017 and 2018 we received total investments of Rs.11,950.13 million, Rs.17,120.21 million and Rs.16,089.99 million, respectively. Since our incorporation in 2011, our equity investors have invested a total of Rs.66,965.67 million in our Company in various tranches, helping us retain an efficient capital structure with no mezzanine capital instruments. As at March 31, 2018, we have raised US$370 million from GS Wyvern, US$247 million from CPPIB, US$200 million from ADIA, US$199 million from JERA, US$50 million from the Asian Development Bank, US$30 million from GEF SACEF India and US$23 million the management, Cognisa Investment and Wisemore Advisory Private Limited in equity capital. Our project finance, corporate debt lenders and other capital providers include public and private commercial banks, mutual funds and pension funds as well as specialized infrastructure lenders. We have repeatedly accessed the NCD market, allowing us to raise Rs.66 billion from reputable investors including Franklin Templeton, Reliance MF, Axis MF, L&T MF, India IDF, L&T IDF and Bajaj Allianz Life Insurance. We further received approvals for US$600 million of debt financing from the Overseas Private Investment Corporation, a US government entity, and for US$389 million of debt financing from the Asian Development Bank. We accessed the debt capital markets using innovative structures, allowing us to raise Rs.12.1 billion through an India Infrastructure Finance Company Limited partially guaranteed bond for the installation of 208.65 MW of capacity. We were the first Indian renewable energy IPP to raise US$475 million of Rupee-denominated "masala" bonds, the proceeds of which were used to refinance part of our existing project level indebtedness, repay existing subordinated shareholder and inter-company loans, and extend new inter-company loans. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations-Indebtedness*."

We finance our projects with a mix of equity and debt funding, including credit lines with key Indian lenders, resulting in relatively better financing terms for us. We refinance operational projects regularly to extend repayment tenors, increase borrowing limits and reduce our overall debt service costs. As at December 31, 2018, we had obtained partial credit guarantees from IIFCL for projects aggregating to 208.65 MW, resulting in a credit rating of AA+ from India Ratings and CARE for the subsidiaries that operate this portion of our capacity. We also maintain a careful balance between our exposure to fixed and floating interest rate instruments. Our ability to access diversified pools of capital has enabled us to raise funding and refinance our projects regularly and on competitive terms to maximize our capital efficiency. Our capital structure and fundraising track record are aligned with our project development needs and growth plans and we raise an appropriate and efficient mix of funds according to our anticipated requirements.

Market leader in the Indian renewable energy industry

We have grown faster than the renewable energy industry in India as a whole over the years ended March 31, 2011 – 2018 (Source: CRISIL Report). Between the years ended March 31, 2013 to 2018 we grew our total operational capacity at a CAGR of 96% as compared to a CAGR of 22% over the years ended March 31, 2013 to 2018 for operational capacity growth in the Indian renewable energy industry as a whole. Since incorporation, we have added more operational capacity organically than any other renewable energy IPP in India. For further details, see "*Industry Overview.*"

We have achieved our market leading position while following judicious policies across our key areas at business and operations, including prudent treasury management, leverage and investment policies and careful customer, vendor and project selection. We consider that our approach has enabled us to achieve our market leading position based on an appropriately diversified and risk mitigated project portfolio.

With one of the largest portfolios across wind and solar energy projects, we believe we enjoy several advantages including:

- *Project development*: Our scale enables us to negotiate more effectively with and obtain favorable terms from OEM vendors, as we are a significant customer and have a good credit history. We are able to obtain competitive financing terms in the development phase due to our access to multiple pools of capital. Our presence across several Indian states enables us to access extensive wind and solar resource data (including through the use of over 77 wind masts across India as well as solar pyranometers) as well as other technical project execution and evacuation data, enhancing our capacity to bid effectively. Our scale helps us meet project pre-qualification criteria including technical expertise, revenue, capacity and financing requirements when bidding for larger projects. Our abilities in measuring and assessing wind resource (based on detailed wind resource data and rechecked internally as well as independently by third parties) and solar resource, in acquiring land for our projects and in responding to the dynamic regulatory environment in which we operate, collectively, support our business strength in this phase.

- *Project operation*: Substantially all of the capacity under development through our new utility scale projects is in states where we are already present, enabling more efficient O&M coverage. Given the size of our project portfolio, we can also negotiate more effectively with our O&M service providers. Our scale allows us to prudently optimize leverage in our operational projects, refinancing them competitively including by securitizing a portion of project cash flows, extending repayment tenors and obtaining additional financing to support further growth.

- *Project acquisition*: We are disciplined in our acquisition strategy and we ensure that our strategy compliments our organic growth strategy. Our financial strength means that we are able to raise funds promptly to pursue and close acquisitions.

We believe that our market profile also enables us to regularly facilitate industry-wide engagement around renewable energy policymaking in India.

Experienced professional management team and strong Board governance

We are led by a professional management team with extensive experience in the renewable energy industry, in-depth understanding of managing renewable energy projects and a proven performance track record. Our senior management team includes Sumant Sinha (Chairman and Managing Director) with oversight across all areas of our business, Ravi Seth (CFO) with responsibility for our finance and treasury strategy, Parag Sharma (COO, Head of Solar and New Business), Balram Mehta (President, Wind and Asset Management) and Ravi Parmeshwar (Chief Human Resources Officer), Vaishali Nigam Sinha (Chief

– CSR, Communications and Sustainability Officer), Kailash Vaswani (Deputy CFO), Ajay Bharadwaj (President, New Business), Mayank Bansal (President, Strategy & Operations) and Pushkar Prasad (EVP, Execution Support). We draw on the knowledge of our Board of Directors, who bring us expertise in the areas of corporate governance, business strategy, and operational and financial capabilities, among others. Our shareholders also have extensive experience of investing in the renewable energy industry. This has been key to a number of our growth strategies, including our measured approach to project selection, our expansion into solar energy projects and our developing internal capabilities across several operational areas.

Our high corporate governance standards are monitored by independent and investor-nominated directors. We pay particular attention in adhering to global anti-corruption and anti-money laundering standards and we maintain compulsory internal training requirements and strict vendor onboarding protocols in this area.

We have a well-developed organizational structure, which includes experienced mid-level and field-level personnel. We maintain a focus on implementing and strengthening the requisite project bidding, financing, execution and O&M capabilities across our organization. We employ a significant number of qualified technical personnel, including over 300 engineers engaged in developing and managing our projects as at December 31, 2018.

Strategy

The key elements of our business strategy are the following:

Maintain our market leadership position through diversified growth

We intend to continue to strengthen our market leading position in our core utility scale wind and solar energy businesses by taking advantage of industry and regulatory trends driving growth in the Indian renewable energy industry. Wind energy projects have been moving from a feed-in-tariff structure to an auction bidding structure while solar energy projects are now almost entirely auction bid based. PPAs signed with individual state utilities in wind resource-rich states (solar resources are well distributed in India) also have largely been replaced by offtake agreements signed with SECI or NTPC, which in turn distribute the power purchased to individual states independent of their available wind resource. Consequently, renewable energy demand is increasing across states and supporting the development of larger scale renewable energy projects.

We intend to continue our expansion by actively evaluating inorganic opportunities (including international opportunities). We will evaluate acquisition opportunities based on our targeted returns, operational scale and diversification criteria and whether we consider these opportunities to be available at reasonable prices.

Significant renewable energy capacity is also coming up for auction as the GoI targets to increase renewable energy electricity capacity to 175 GW by 2022 (Source: CRISIL Report). The GoI is also providing support to state electricity utilities as principal offtakers through the Ujwal Discom Assurance Yojana (UDAY) which enables government authorities, which own the state electricity distribution companies, to assume and restructure these companies' debt. Our range of wind and solar capabilities across project selection, resource assessment, project funding, land acquisition, project execution and project O&M positions us well to take advantage of these trends in bidding for larger utility scale projects.

We will also look at growth opportunities in the distributed solar market where overall capacity as well as average capacity per site have grown significantly. We believe that our capabilities in distributed solar energy projects will enable us to capture a greater share of this fast growing market which we consider will be a key renewable energy business in the future.

We intend to continue to maintain our diversified growth and portfolio between wind and solar energy projects, targeting geographic adjacency of our projects to increase our economies of scale. We intend to use our scale to continue to negotiate for better procurement and O&M terms from our vendors and more competitive financing and refinancing terms from our lenders. We will aim to continue to maintain a sound capital structure and prudent leverage as our business grows and to invest our operating cash flows appropriately to support our growth plans.

Continue to optimize execution and operational efficiencies

We seek to further enhance our project execution efforts in order to control our costs and optimize the output of our projects. At the project execution stage, we will focus on reducing our dependence on external EPC providers for our wind energy projects and continue to build these capabilities internally. Similarly, we intend to continue to develop in-house O&M capabilities at the operational stage to improve project efficiency. We will seek to implement new technologies, including new turbine and solar module technologies, which are capable of higher generation levels, as well as utilize drones and new maintenance technologies as part of enhanced project monitoring and O&M efforts. Our in-house team of technical designers intends to continue to refine and enhance our solar plant design and execution capabilities and to continue to work with leading wind OEMs to deploy new turbine technologies.

We intend to strengthen our diagnostics and performance monitoring capabilities across our wind and solar energy projects. In addition, we intend to invest in advanced monitoring and tracking and predictive analytics technologies with specific applications in operational areas including monitoring equipment condition, advanced failure detection and forecasting and scheduling energy generation. Our asset management team also will continue to focus on maximizing the operating efficiency of our assets as measured by LPF.

We intend to continue to build our in-house transmission capabilities in respect of our solar energy projects, relying on our own EPC teams for the development of transmission lines in addition to external EPC providers to further control costs on such projects. We will also evaluate new energy storage solutions and associated technologies to further increase project operational efficiencies.

Continue to diversify and optimize our financing portfolio

We will aim to maintain a diversified financing portfolio comprised of different pools of capital in order to maintain our financial flexibility and stability as well as balance investment risk and return. We intend to constantly evaluate our requirements for additional equity capital to support our pursuit of new projects as part of our growth plans. We will also seek to optimize our utilization of internal accruals and cash flows continuously.

We seek to continue to manage our borrowing costs with a focus on cost effective financing and refinancing structures, including our repayment tenors and the balance between our fixed and floating rate instruments. We will continue to maintain a measured and careful balance between fixed and floating rate debt. We intend to regularly refinance our operational projects to increase our borrowing limits and reduce our overall debt service costs. We also intend to maintain our strategy of efficient capital deployment aligned with our growth plans and project commitments.

Continue to effectively manage risk through strong corporate governance

We intend to continue to implement our corporate government framework to manage and oversee risks faced by the Group. We seek to continue to comply with our robust quality, health, safety and environment practices, including international finance corporation performance standards and environmental and social management systems which are implemented across the Group. We also intend to maintain our strong corporate governance practices including through the check and balances established by our key committees (which include our audit, nomination and remuneration and social responsibility committees), and through continuing to comply with our polices on (including but not limited to), insider trading, related party transactions and hedging. Under our hedging policy, we fully hedge interest rate risk on long term foreign currency borrowings.

Corporate Information

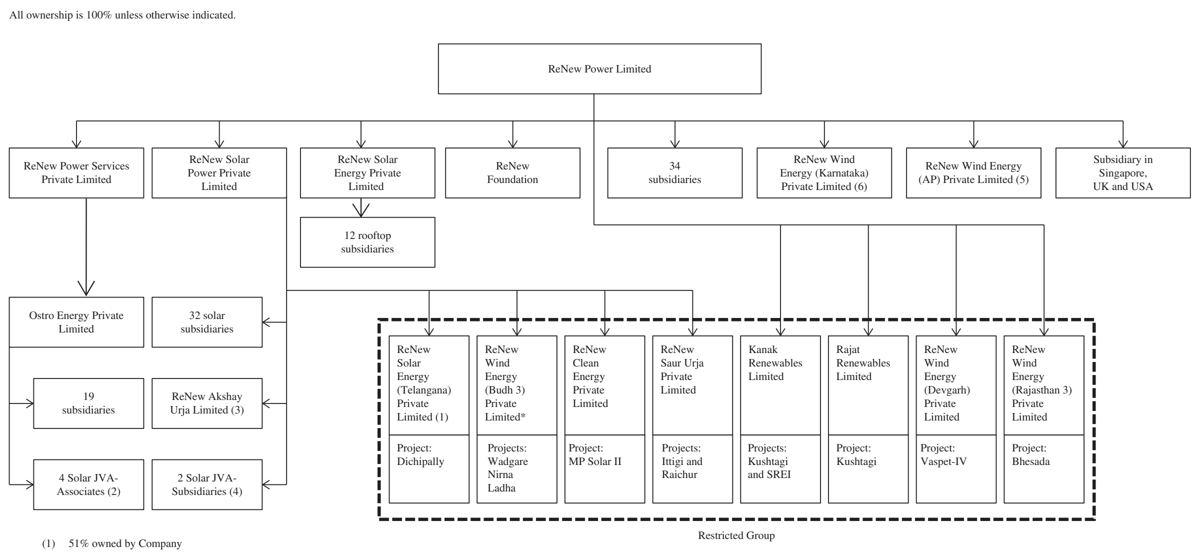
The Company was incorporated in India in 2011 as ReNew Wind Power Private Limited. The name of the Company was changed to ReNew Power Ventures Private Limited in 2012. Subsequently, on April 11, 2018, the name of the Company was changed to ReNew Power Private Limited. Following the conversion of the Company from a private company to a public limited company, the name of the Company was changed to ReNew Power Limited on April 17, 2018.

The registered office of the Company is located at 138, Ansal Chambers-II, Bhikaji Cama Place, Delhi-110066, India.

The Company's principal website address is http://renewpower.in/. The information found on the Company's website is not incorporated in, and does not form part of, this offering memorandum.

Corporate Structure

The following diagram shows the corporate structure of the Company and its subsidiaries, including the Restricted Group and the projects held by them.



(1) 51% owned by Company
(2) 49% owned by Company
(3) 56% owned by Company
(4) 51% owned by Company
(5) 66.93% owned by Company
(6) 65.04% owned by Company
* Despite its name ReNew Wind Energy (Budh 3) Private Limited owns and operates only solar projects.

Our Statutory Auditors have not provided any assurance on the prospective financial information nor have performed any service with respect to the Consultant's Report.

CONSULTANT'S REPORT

The recipient ("Recipient") of this offering memorandum acknowledges that Consultant has conducted a limited review in accordance with the engagement contract with the Company, pursuant to which the Consultant's Report has been issued to the Company. However, the Recipient should carry out its own due diligence. It should be also noted that any extracts from the Consultant's Report and/or the summary of the Consultant's Report provided in this offering memorandum are only a part of the overall Consultant's Report issued to the Company and may not disclose all relevant matters. The Recipient should read the extracts and/or summary together with the complete Consultant's Report (including any scope limitations and disclaimers incorporated therein). For financial information concerning the Company, the Recipient should review the actual financial statements of Company and the Restricted Group included in the offering memorandum. The procedures followed in preparation of the Consultant's Report do not constitute and are not intended to be an audit certification, examination, attestation, special report, agreed-upon procedures or review made in accordance with any generally accepted auditing standards. The Consultant expressly disclaims any and all liability for, or based on or relating to any such information contained in, or errors in or omissions from, the Consultant's Report, this offering memorandum or based on or relating to the Recipient's use of the offering memorandum.

The Recipient acknowledges that there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Further, the scope and sufficiency of the procedures performed by the Consultant in preparation of the Consultant's Report is solely the responsibility of the Company and the Consultant makes no representation regarding the sufficiency of the procedures for the purpose for which the Consultant's Report has been requested or for any other purpose.

The Consultant's Report does not attest the capabilities of the Company. Accordingly, the Consultant's Report cannot and does not make a recommendation to anyone for investment in the Notes.

The Consultant's Report may contain references to market standards or industry practices which may change from time to time or to information from the public domain which has not been independently verified. The Consultant does not assume any responsibility for the same.

Performance of the Consultant's work as contained in the Consultant's Report with regard to the Company's business, business model, operations, financials and other Company related information was based on facts, assumptions, information and explanations given to it by the staff of the Company and therefore the Consultant has assumed that the said information is factually accurate and complete without any independent verification or evaluation of the same. The Consultant assumes no responsibility for the same. Neither the Consultant, nor any of its partners, directors or employees undertake responsibility in any way whatsoever in respect of any errors in the Consultant's Report arising from incorrect information being provided by the Company's staff.

The Consultant's views are not binding on any person, entity, authority or court, hence, no assurance is given that a position contrary to the opinions expressed in the Consultant's Report will not be asserted by any person, entity, authority and/or sustained by an appellate authority or a court of law.

In accordance with its policy, the Consultant disclaims all responsibility and liability for any costs, damages, losses, or liabilities incurred by any third party (including subscribers, users, transmitters or distributors in the offering of the Notes) who uses or relies upon the Consultant's Report or its summary or extracts therefrom.

The Company engaged KPMG India Pvt. Ltd. (the "Consultant") to perform certain agreed upon procedures with respect to projected financial information of the operational projects held by the Restricted Group, namely Vaspet-IV, Bhesada, Kushtagi, SREI, MP Solar II, Dichipally, Ittigi, Raichur, Wadgare, Nirna and Ladha (collectively, the "RG Projects"). The Consultant prepared a report with respect thereto, which is included in this offering memorandum as Appendix A (the "Consultant's Report").

The Consultant's Report refers to projections prepared by the Company of annual operating parameters such as capacity utilization factor ("CUF")/plant load factor ("PLF"), auxiliary consumption and transmission losses, annual operating revenues, annual operating expenses and EBITDA for each of the RG Projects. EBITDA in the Consultant's Report is not comparable with EBITDA shown in historical financials in this offering memorandum (*Refer* Exclusions in EBITDA Projections part of this section). For purposes of its report, the Consultant relied on certain assumptions regarding material contingencies and other matters that are not within the control of the Group, the Consultant or any other person. These assumptions are inherently subject to significant uncertainties and actual results could materially differ from those projected. These assumptions might not be correct and the projections and estimates might not reflect actual results of operations. Therefore, no representations are made or intended to be made, nor should any be inferred, with respect to the likely existence of a particular future set of facts or circumstances. If actual results are materially less favorable than those shown in this offering memorandum and/or in the Consultant's Report or if the assumptions used in formulating these projections and estimates prove to be incorrect, the Restricted Group's ability to make payments on the Notes may be materially adversely affected.

For certain additional information relating to the projections and estimates contained in the Consultant's Report, see "*Risk Factors – Risks Relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate.*"

The Consultant's Report provides observations on the assumptions relating to operating profit excluding depreciation and amortization expenses, finance costs and tax expenses ("EBITDA") as well as projections of the RG Projects for fiscal year 2020. Further, the projections of generation, revenues, expenses and EBITDA are consolidated measures for each of the projects reflecting 100% ownership. These figures do not take into account minority interests, tax equity, or other financial interests in the projects other than that of the Restricted Group. The Company provided the financial model giving the projected financials of each Restricted Group Project as well as combined projections for the Restricted Group along with assumptions. This engagement was conducted in accordance with procedures agreed with the Company. See "*Risk Factors – Risks Relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate.*"

The Consultant performed the following agreed upon procedures with respect to the projected financial information prepared by the Company:

- Obtain from the Company, a financial model for financial year ending 31 March 2020 to ascertain logic and comment on the factual accuracy of the assumptions, logic and flow of data used in the model and mathematical accuracy of the EBITDA projections. For avoidance of doubt, KPMG's assessment will be, primarily, based on documents made available by the Company and to a limited extent, on information available in the public domain. Such assessment by KPMG will not involve any opinion or judgment on the part of KPMG. Further, Consultant's Report will not include any projected cash flow or projected balance sheet

- Unit wise capacity and commissioning date

    - Obtain the commissioning certificate issued by third parties and power purchase agreements (PPAs) entered into with utilities or direct consumers from the Company and compare unit wise capacity and commissioning date mentioned in commissioning certificate and PPAs to that specified in the projected financial information used in financial model

- In case the third party commissioning certificate is not available, obtain the commissioning date details from the Company's management and compare them to those specified in the projected financial information used in financial model Capacity units and commissioning date: For each project, obtain the commissioning certificates issued by authorised agency of the relevant state government from the Company to compare capacity units and commissioning date mentioned in commissioning certificate to the assumption in the Model

- Net Saleable Energy

  - Obtain the Wind Resource Assessment (WRA), Solar resource assessment and energy production study reports submitted by third party technical consultants (engaged by the Company) from the Company and compare net CUF (as may be applicable from P99, P95, P90, P75 and P50) mentioned in such reports to those used in the projected financial information used in financial model

  - Obtain auxiliary consumption and transmission losses not considered in the WRA and solar resource assessment reports from the Company and compare the same to those used in preparation of projected financial information used in financial model

- Obtain Generation Based Initiatives ("GBI") registration certificates issued by Indian Renewable Energy Development Agency from the Company and Compare GBI as mentioned in the GBI registration certificates to the projected financial information used in the financial model

- Transmission/Wheeling and banking charges/losses – obtain and, based on regulations governing Transmission/Wheeling and banking charges/losses in respective states, compare the Transmission/Wheeling and banking charges/losses considered in such regulations to those used in preparation of the projected financial information used in financial model

- Tariff – Obtain power purchase agreements entered into with utilities or direct consumers (PPAs) and tariff orders issued by State Electricity Regulatory Commissions from the Company. Based on this information, compare the tariff from the PPAs and Tariff orders to those used in preparation of projected financial information used in financial model

- Operating and maintenance (O&M) expenses

  - Obtain signed O&M contracts from the Company and compare contracted O&M expenses with those used in preparation of projected financial information used in the financial model

  - For the cases where there are no O&M contract has expired, obtain the O&M expense data from the Company and compare O&M expenses to the projected financial information in the financial model

- Insurance and corporate expenses: Obtain details of insurance and corporate expenses from the Company's management and compare them to the insurance premiums mentioned in the policies/expenses considered in preparation of projected financial information used in financial model

The following were exclusions in the Consultant's scope of work:

- Quantitative market survey in order to obtain an understanding of bottom-up estimate of market size or demand/supply trends.

- To the extent that Consultant's work would be based on information gathered from secondary sources, Consultant will not be responsible for verifying the authenticity and correctness of information, except as may be specifically agreed in writing between us.

- Consultant will not make representations as to projected cost savings or benefits.
- Consultant will not conduct any due diligence of the information provided in the technical or due diligence reports provided by technical consultants to the engagement team.
- Consultant will not check any land records/land agreements/rent agreements/property taxes. Consultant will rely solely on Management Representation for all these expenses.
- Consultant will not evaluate the model and/or the associated input assumptions below EBITDA including, but not limited to, those calculations and assumptions related to taxes, interest, depreciation, financing structures, (i.e., tax equity, project debt financing), working capital, etc.
- Consultant will not make any recommendation to invest (or not invest) in the bond issue nor will Consultant recommend any investment thesis, or business case.
- Consultant's assistance will not extend to facilitating or leading your business planning or strategy planning-related meetings or workshops, nor will we assist you in preparing any financial or operating model, pricing or volume framework assumptions, or any projected financial information on your behalf in connection with this engagement.
- Consultant's reporting will present our objective analysis and commentary based upon the information obtained and will not provide assurance on any investment thesis, business case.
- Consultant's scope will not include any projections of cash flows or of the balance sheet.
- The Consultant's Report will not be used for preparation of financial statements of the company.
- Consultant's scope of work is limited to review of the assumptions underlying the projections in accordance with the data provided to us and verifying the mathematical accuracy of the financial model. Other than the aforementioned scope, we shall not evaluate, verify or validate the assumptions underlying the projections or any other information or documents provided to us.
- For the avoidance of doubt, we are not being engaged to issue a comfort letter in accordance with United States Public Company Accounting Oversight Board (the "PCAOB") AS 6101 or other applicable standards established by the PCAOB or the Institute of Chartered Accountants of India with respect to the Consultant's Report or any other disclosures set forth in the Offering Circular or the Roadshow Materials.

The following summary of the Consultant's Report should be read in conjunction with the complete Consultant's Report.

The Consultant focused on the following main areas in reviewing the financial model:

Capacity and Commissioning Date

For all projects, the Consultant compared the AC capacity and commissioning date assumptions in the Model to those in the COD certificates issued by relevant state agencies and noted no differences.

For solar power projects, the Consultant compared the DC capacity assumption in the Model to those in the PVSyst reports and noted no differences except for the following:

– For Dichipally, management represented that the installed DC capacity of the project is 171.6 MWDC as against 171.8 MWDC considered in the PVSyst report. The management also represented that this difference is unlikely to cause any change in the P75 PLF.

- The combined installed AC capacity of Wadgare, Nirna, and Ladha is 60.0 MW as against 60.6 MW considered in the PVSyst reports. Management represented that the combined installed DC capacity of Wadgare, Nirna, and Ladha, is 75.0 MW_{DC} as against 75.1 MW_{DC} considered in the PVSyst reports. The management also represented that this difference is unlikely to cause any change in the P75 PLF.

- For MP Solar II, AC capacity is 51.0 MW_{AC} and Management has represented that the the installed DC capacity of the project is 68.7 MW_{DC} as against 68.8 MW_{DC} considered in the PVSyst report. Management also represented that this difference is unlikely to cause any change in the P75 PLF.

- Management has represented that, while MPPMCL has expressed intent to consider DC capacity of the project beyond the 58.6 MWDC that they are currently considering, they have constituted an internal committee to further investigate the matter. Management represented that MPPMCL has requested certain information from the Company which the management has provided. Accordingly, the DC capacity in the model has been considered as 61.2 MWDC in order to account for the lower payments being received from MPPMCL.

Operating Characteristics/Parameter

Solar Power Projects

The Consultant obtained the PVSyst reports prepared for solar power projects of the Company. The Consultant noted that the PVSyst reports have been prepared by third party technical consultants such as TUV Rheinland and Tata Consulting Engineers Ltd. The PVSyst reports measure the PLF at the generation site prior to incidence of Auxiliary Loss, Additional Transmission Loss or degradation ("Base PLF").

In solar power projects, a project substation is generally located within the vicinity of the project. The project substation steps-up the voltage of power generated and feeds it into an external transmission line which connects the project to the grid substation located further away. This transmission of power from the project to the grid substation results in loss of a fraction of the energy generated by the project. The Consultant noted that PVSyst reports assume that energy metering will be undertaken at the project substation. In order to estimate Net Saleable Energy, Base PLF (PLF provided in the PVSyst reports) has been adjusted to account for degradation factor, Additional Transmission Loss, and Auxiliary Loss as represented by management. For all solar power projects, the Consultant compared the degradation factor, Additional Transmission Loss, and Auxiliary Loss considered in the Model with the management representation and noted no differences. We noted that Base PLF considered in the Model for all solar power projects is based on DC capacity.

Because of the uncertainty involved in solar irradiation, PVSyst reports provide estimates of energy generation and plant load factor (PLF) based on different confidence levels referred to as P99, P95, P90, P75 and P50. For example, estimated energy generation at P75 represents that there is a 75% probability that actual generation will be higher than the estimated generation. Hence, P90 estimates are lower than P75 estimates which are lower than P50 estimates.

Wind energy projects

The Consultant obtained the WRA Reports prepared by technical consultants Garrad Hassan, TUV Rheinland and DNV GL for all the wind power projects.

Because of the uncertainty involved in pattern of wind flows, WRA Reports provide estimates of energy generation and PLF based on different confidence levels referred to as P99, P95, P90, P75 and P50. This number represents the probability of the actual generation exceeding the estimated generation. For example, estimated energy generation at P75 represents that there is a 75% probability that actual generation will be higher than the estimated generation. Hence, P90 estimates are lower than P75 estimates which are lower than P50 estimates.

In wind power projects, a unit substation which steps-up the voltage of power generated is generally located at every turbine. The project substation, located at a distance from individual turbines, is where power is pooled from all unit substations through internal transmission lines. The project substation further steps-up the voltage of pooled power and feeds it into an external transmission line which connects the project substation to the grid substation located further away. This transmission of power from the wind turbine to the grid substation results in loss of a fraction of the energy generated by wind turbines. The Consultant noted that all WRA reports except in case of Vaspet-IV estimate the Base PLF at the grid substation. Management represented that the transmission losses considered in the WRA of Vaspet-IV are up to the grid substation, hence, no Additional Transmission Loss needs to be considered.

We noted that Base PLF considered in the Model for all wind power projects is based on AC capacity. For all wind power projects (except Kushtagi), the Consultant compared the Base PLF considered in the Model with the WRA reports and noted no differences. Based on their internal estimates, management has represented that for Kushtagi, Base PLF for FY20 has been estimated on a conservative basis than the Base PLF based on P75 estimates in the WRA report.

Revenue Approach/Assumptions

The Restricted Group projects have considered three possible sources of revenues:

- Sale of electricity to distribution utilities or direct sale to consumers;

- Generation based incentives (only for select wind projects); and

Revenue from sale of electricity

The Restricted Group sells power from operational projects and proposes to sell the power from near operational projects under the following sale models:

- Sale to DISCOMs; and

- Direct sale to consumers.

Sale to DISCOMs

SREI, Kushtagi, Vaspet-IV, Bhesada, MP Solar II and Dichipally have long-term Power Purchase Agreements (PPAs) with state DISCOMs. State DISCOMs have signed long-term PPA for tenures of 13 years (Vaspet IV), 20 years (Kushtagi, SREI (Bhakrani)) and 25 years (SREI (Sipla), Bhesada, MP Solar II and Dichipally).

PPAs for all wind power projects have been signed under the Feed-in-tariff ("FIT") mechanism with DISCOMs. Under FIT mechanism, the tariff is fixed by state electricity regulatory commissions and the power generator is paid same tariff for the entire duration of the PPA. PPAs for MP Solar II and Dichipally have been signed through competitive bidding route under tariff based bidding. For all projects, the Consultant compared the tariff specified in the PPAs to the tariff considered in the Model and noted no differences.

Direct sale to consumers

Raichur, Ittigi, Wadgare, Nirna and Ladha have Power Purchase Agreements (PPAs) with industrial and commercial customers in Karnataka for a tenure of 8-12 years. Further, while one (1) PPA has a tenure of 25 years from commencement of supply, tariff as per the PPA is applicable for 10 years only. After 10 years, the tariff shall be agreed based on mutual agreement failing which the PPA may be terminated. All the projects sell power under third party open access route.

As per the PPAs, the power is sold to customers at an agreed tariff. While some PPAs do not have provisions for an increase in tariff, some PPAs have provisions for annual tariff increments. Of these, some PPAs have a provision for a pre-agreed escalation of 2-2.5% in tariff every year while some other PPAs link the increase or decrease in tariff to corresponding increase or decrease in tariff charged by DISCOM for the customers ("Grid Tariff"). For PPAs which provide escalation linked to Grid Tariff, 50-100% of the increase or decrease in Grid Tariff is passed on to the customer through a corresponding increase or decrease in tariff. Grid Tariff is approved by state electricity regulatory commissions of the respective states through periodic "Tariff Orders". The Consultant noted that, in the tariff orders issued by KERC, the average annual increase in Grid Tariff in Karnataka over the past 5 years was approximately 5%. However, the DISCOMs in Karnataka have only petitioned for an increase in 1-1.5% in the Grid Tariff in FY20.For selling power to end consumers, the projects have to incur certain charges like cross subsidy surcharge (wherever applicable), additional surcharge, transmission charges and losses, wheeling charges and losses, banking charges, etc. (collectively, referred to as "Open Access Charges") to be paid to DISCOMs. These charges are also approved by the state electricity regulatory commissions.

Power sale under third party open access route in Karnataka:

Open Access Charges are applicable for wind and solar based generating stations selling power under third party open access route in Karnataka. Solar power projects commissioned between 01 April, 2013 and 31 March, 2018 are exempted from Open Access Charges, Open Access Losses, as well as banking charges for a period of 10 years from the date of commissioning as per KERC order dated 18 August, 2014.

KERC issued an order on 14 May 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The levy of such Open Access Charges and Open Access Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May 2018, the company has assumed exemption from Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Raichur, Ittigi, Wadgare, Nirna, and Ladha.

Due to the seasonal nature and uncertainty of solar generation, it is not always possible to match the generation with offtake of energy by consumers and this may result in demand-supply mismatches – both on an intra-day basis as well as monthly/seasonal basis. Till FY18, banking facility was provided in Karnataka over a financial year from April to March (banking period) and energy generated and banked but not consumed/allocated to customers during this period was deemed to be purchased by the DISCOM in the state of Karnataka at the rate of 85% of the latest feed-in-tariff. The feed-in-tariff is decided by the state regulator and is applicable for a particular control period.

In the order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months i.e. each year would have two banking periods – (i) April to September and (ii) October to March. Energy generated but not consumed during each six month period is deemed to be purchased by the DISCOM Payment for such energy is to be made at 85% of the latest generic tariff for solar energy. The latest generic tariff for solar energy in the state is Rs.4.36 per kWh as per KERC order dated 12 April, 2017. 85% of this tariff aggregates Rs.3.71 per kWh. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours.

Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, the Consultant discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. However, management has represented that considering that this matter is now reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed.

For Raichur, Ittigi, Wadgare, Nirna, and Ladha, the Consultant compared the FY20 weighted average tariff and tariff escalation represented by management with the assumptions in the Model and noted no differences. The Consultant also compared the Open Access Charges in the relevant orders issued by state electricity regulatory commissions and noted no differences.

Income from Generation Based Incentives

The Consultant obtained the Operational Guidelines for Implementation of 'Extension Scheme for Generation Based Incentive for Grid Connected Wind Power Projects' ("Operational Guidelines") and noted the requirements for availing generation based incentives (GBI). Wind power projects commissioned between 1 April, 2012 and 31 March, 2017 (including both the dates) and selling power to DISCOMs are eligible for GBI. Wind power projects meeting the eligibility criteria have to register these projects with Indian Renewable Energy Development Agency Ltd (IREDA, a Govt. of India Enterprise and nodal agency for registering and issuance of GBI) for availing the GBI. As per GBI operational guidelines, the projects are eligible to receive GBI at a rate of Rs.0.50 per kWh of electricity fed into the grid with a maximum limit of Rs.10.0 million per MW. The total disbursement in the year will be limited to Rs.2.5 million per MW during the first four years. This incentive is over and above the tariff approved by State Electricity Regulatory Commissions (SERCs) in various states.

The Consultant noted that the IREDA has issued GBI registration letters for Vaspet-IV, Bhesada and SREI (Sipla). The Consultant noted the GBI capacity considered in the Model is in accordance with registration letters issued to eligible capacity of these projects. Please refer Section 6 of Consultant's report for detailed analysis of individual projects.

Operating Expenses Approach/Assumptions

The wind power projects in the Restricted Group have signed agreements for operation & maintenance (O&M) with Suzlon Global Services Limited, Enercon India Limited, and ReGen Powertech Private Limited. The solar projects in the Restricted Group have signed agreements for operation & maintenance (O&M) with ReNew Power Services Private Limited ("RPSPL"), ReNew Solar Power Private Limited ("RSPPL") and Avi Solar Energy Private Limited. The Consultant noted that the O&M contract of Ittigi with Avi Solar Energy Private Limited expired on 14 January, 2019. Management represented that O&M agreement of Ittigi is likely to be renewed by 28 February 2019. For all projects except Wadgare, Nirna, and Ladha, the Consultant compared the O&M charges considered in the Model with the management representation and noted no differences. For Wadgare, Nirna, and Ladha, the Consultant compared the O&M charges considered in the Model with the O&M contracts and noted no differences.

The Consultant noted that GST applicable on the O&M charges for all projects has been considered as per currently applicable rates.

For Bhesada, Kushtagi, and Vaspet-IV, management represented that they have adopted O&M cost equalisation. Management represented that O&M cost equalisation is an accounting principle adopted, wherein the total O&M cost for a project (excluding GST) is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the "O&M charges". The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. The Consultant compared the O&M equalisation expense in the model with the management representation and noted no differences.

In addition to above, each of the projects have insurance and other overheads. The Consultant inquired of management about the source of these other expenses and were informed that it was based on management's internal estimate and past experience in operating these projects. The Consultant compared these expenses considered in the Model for each project with the management representation and noted no differences.

Exclusions in the EBITDA Projections

Management has represented that EBITDA projections do not consider related party payments by respective projects to ReNew Power Limited under Management shared services (referred to as cross-charge) as under the terms of the proposed bond issuance, such payments will be classified as "Restricted Payments" and shall be paid out to the related party subject to the Terms and Conditions of the Notes.

Based on the assumptions made by the Company in their EBITDA Projections model, the combined financial forecasts for the Restricted Group are shown in the table below. The information in the table should be read in conjunction with the Consultant's Report, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Business*" and "*Risk Factors – Risks Relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate.*"

	For the year ending March 31, 2020[1]		
	(Rs. in millions)		(US$ in millions)
Particulars			
Operational Capacity	–	635.7 MW_{AC}	–
Net Saleable Energy	–	1,380.3 million kWh	–
Revenue			
Revenue from sale of power	7,366.7	–	103.8
Revenue from GBI	179.7	–	2.5
Total Income	7,546.4	–	106.3
Expenses			
O&M Charges	549.0	–	7.7
Service tax on O&M Charges	96.9	–	1.4
Other Expenses	109.5	–	1.5
O&M Equalisation	38.7	–	0.5
Total Expenses	794.0	–	11.2
EBITDA[2]	6,752.3	–	95.1
EBITDA Margin	–	89.48%	–

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.71.00 per US$1.00

(2) EBITDA in the Consultant's Report is not comparable with EBITDA shown in historical financials in this offering memorandum as explained in Exclusion in the EBITDA Projections

THE OFFERING

The summary below describes the principal terms of the Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. See "Description of the Notes" for a more detailed description of the terms and conditions of the Notes. Terms used and otherwise not defined in the summary below have the meanings given to them in "Description of the Notes."

Co-Issuers	Each of Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited.
Parent Guarantor	ReNew Power Limited.
Guarantors	Each of Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited and future guarantors, if any.
Notes	US$60,000,000 aggregate principal amount of 6.67% Senior Secured Notes due 2024, to be consolidated and form a single series with the US$375,000,000 6.67% Senior Secured Notes due 2024. *Please see Appendix B for certain information relating to the Notes for purposes of the applications by the Co-Issuers to the RBI for loan registration numbers*. The Notes qualify as green bonds, and have been certified by the Climate Bonds Initiative.
Maturity Date	March 12, 2024.
Guarantees	Each Guarantee of the Notes from the Guarantors and the Parent Guarantor.
Interest	6.67% per annum, payable semi-annually in arrears on each March 12 and September 12, commencing on September 12, 2019. Interest payable in relation to the Notes will be paid as if such Notes were issued on the Original Issue Date. *Please see Appendix B for certain information relating to the Notes for purposes of the applications by the Co-Issuers to the RBI for loan registration numbers.*
Restricted Group	Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited.

Ranking of the Notes .... The Notes issued by a Co-Issuer will:

- be general obligations of such Co-Issuer;
- rank senior in right of payment to any existing and future obligations of such Co-Issuer that is subordinated in right of payment to the Notes;
- rank equally in right of payment with any existing and future obligations of such Co-Issuer that are not subordinated in right of payment to the Notes (including Existing Senior Indebtedness of such Co-Issuer);
- be guaranteed by the Guarantors and the Parent Guarantor on a senior basis in accordance with the Indenture, subject to certain limitations;
- be effectively subordinated to any existing and future secured Indebtedness of such Co-Issuer (other than the Notes and any Permitted Pari Passu Secured Indebtedness) to the extent of the value of the assets securing such Indebtedness;
- (to the extent of the Notes in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) be secured by the creation of a charge on the applicable Collateral of the priority and ranking, and within the timelines specified, in Appendix A to the "*Description of the Notes*".

Ranking of the Guarantees Each Guarantee provided by a Guarantor will:

- be a general obligation of such Guarantor;
- rank senior in right of payment to any existing and future obligations of such Guarantor that are subordinated in right of payment to its Guarantee;
- rank equally in right of payment with any existing and future obligations of such Guarantor that are not subordinated in right of payment to its Guarantee (including Existing Senior Indebtedness of such Guarantor); and
- be effectively subordinated to any existing and future secured Indebtedness of such Guarantor to the extent of the value of the assets securing such Indebtedness.

The Guarantee provided by the Parent Guarantor will:

- be a general obligation of the Parent Guarantor;
- rank senior in right of payment to any existing and future obligations of the Parent Guarantor that are subordinated in right of payment to its Guarantee;

- rank equally in right of payment with any existing and future obligations of the Parent Guarantor that are not subordinated in right of payment to its Guarantee;
- be effectively subordinated to any existing and future secured Indebtedness of the Parent Guarantor to the extent of the value of the assets securing such Indebtedness; and
- be effectively subordinated to all existing and future obligations of any Subsidiary of the Parent Guarantor that does not also Guarantee the Notes.

The Guarantee by the Parent Guarantor in respect of the Notes will automatically be released at any time on or after the date when the audited consolidated financial statements of the Parent Guarantor for the year ending March 31, 2020 become available if the Combined Leverage Ratio would not exceed 5.5 to 1.0; *provided, however, that* no such release of the Guarantee by the Parent Guarantor shall be permitted between (x) the date of repayment of the Previously Refinanced Indebtedness and (y) the date in which the applicable Permitted Refinancing Indebtedness was Incurred to refinance such Previously Refinanced Indebtedness.

Collateral

The obligations of each Co-Issuer with respect to the Notes (in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) and the performance of all other obligations of each Co-Issuer under the Indenture (to the extent of the Notes in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) will be secured by:

- a first priority *pari passu* mortgage/charge on immovable properties of such Co-Issuer in relation to the projects of such Co-Issuer;
- a first priority *pari passu* mortgage/charge on movable properties of such Co-Issuer in relation to the projects of such Co-Issuer;
- a first priority *pari passu* charge on the project documents of such Co-Issuer in relation to the projects of such Co-Issuer; and
- a first priority *pari passu* pledge over certain securities of such Co-Issuer.

all as more specifically described for each Co-Issuer in Appendix A to the "*Description of the Notes*" and "*Description of the Notes – Security Sharing Agreement*". The security over the Collateral shall be created on a *pari passu* basis for the benefit of the Holders, the hedge counterparties (if any) in relation to the Notes, the lenders of Existing Secured Indebtedness, and lenders of any Permitted Pari Passu Indebtedness.

Use of Proceeds	Subject to compliance with applicable laws and regulations, the Restricted Group intends to use the proceeds of this offering for Eligible Green Projects in the order of priority set out in "*Use of Proceeds*".
Redemption for Taxation Reasons	Subject to certain exceptions and as more fully described herein, the Notes may be redeemed, at the option of the Co-Issuers or the Parent Guarantor, in whole but not in part, at a redemption price equal to 100.0% of the principal amount thereof, plus accrued and unpaid interest, if any, upon the occurrence of certain changes in applicable tax law and subject to certain conditions. See "*Description of the Notes-Redemption for Taxation Reasons*."
Repurchase of Notes Upon a Change of Control Triggering Event	Not later than 30 days following a Change of Control Triggering Event, the Co-Issuers will make an offer to purchase all outstanding Notes at a purchase price equal to 101.0% of the principal amount thereof, plus accrued and unpaid interest, if any. See "*Description of the Notes – Repurchase of Notes Upon a Change of Control Triggering Event*."
Optional Redemptions	At any time prior to March 12, 2021, the Co-Issuers may redeem the Notes, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Notes, plus the Applicable Premium, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date. At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds from one or more sales of Equity Interests of the Parent Guarantor, at a redemption price of 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, subject to certain conditions. At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds from one or more INVIT Offerings, at a redemption price of 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, subject to certain conditions. At any time on or after March 12, 2021, the Co-Issuers may redeem the Notes, in whole or in part, at the redemption prices set forth under "*Description of the Notes – Optional Redemptions*," plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date. See "*Description of the Notes – Optional Redemptions*."

Early Redemption	Redemption of Notes prior to the Maturity Date by the Co-Issuers may require the prior approval of the Reserve Bank of India or the designated authorized dealer bank, as the case may be, in accordance with the ECB Guidelines.
Certain Covenants	The Indenture contains certain covenants that, among other things, limit the Restricted Group's ability to: • incur or guarantee additional indebtedness; • issue disqualified or preferred stock; • declare dividends on capital stock or purchase or redeem capital stock; • make investments or other specified restricted payments; • have subsidiaries; • sell assets; • create liens; • enter into sale and leaseback transactions; • enter into transactions with shareholders or affiliates; and • effect a consolidation or merger. These covenants are subject to a number of important limitations and exceptions. See "*Description of the Notes – Certain Covenants*."
Additional Amounts	All payments made by or on behalf of the Co-Issuers, a Guarantor or the Parent Guarantor on the Notes or under the Guarantees will be made without withholding or deduction for taxes imposed or levied in any relevant jurisdiction, unless required by law, in which case the Co-Issuers, the applicable Guarantor or the Parent Guarantor, as the case may be, will pay such additional amounts as will result in the receipt by each Holder of such amounts as would have been received had no such withholding or deduction been required, subject to certain limitations. See "*Description of the Notes – Additional Amounts*."
Transfer Restrictions	The Co-Issuers have not registered and will not register the Notes under the Securities Act or the securities laws of any other jurisdiction. The Notes are subject to restrictions on transfer and may only be offered or sold in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "*Transfer Restrictions*."

Form, Denomination and Registration	The Notes will be issued in fully registered form, without coupons, in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof and will be deposited upon issuance with a custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC. See "*Description of the Notes – Book-Entry, Delivery and Form*."
Delivery of the Notes	The Co-Issuers expect to make delivery of the Notes, against payment in same-day funds, on or about March 26, 2019, which the Company expects will be the seventh business day following the date of this offering memorandum, referred to as T+7. Investors should note that initial trading of the Notes may be affected by the T+7 settlement. See "*Plan of Distribution*."
Security Sharing Agreement	Within 5 months from the Original Issue Date, the lenders of Existing Secured Indebtedness, the security trustee acting for the lenders of Existing Secured Indebtedness, the lenders' agent (if any) acting for the lenders of Existing Secured Indebtedness, the Security Trustee, the hedge counterparties (if any), and Yes Bank Limited (as the account bank) will execute one or more Security Sharing Agreements in relation to the projects of each Co-Issuer. Each Security Sharing Agreement will describe the process to be followed by the creditors of the relevant Co-Issuer for enforcement of security over the relevant collateral on occurrence of an event of default. For details see "*Description of the Notes – Security Sharing Agreement*."
Trust and Retention Account Agreement	Within 5 months from the Original Issue Date, each Co-Issuer will enter into one or more trust and retention account agreements (including, if applicable, as an amendment and restatement of a Co-Issuer's existing trust and retention account agreement(s)). Each trust and retention account will have the sub-accounts identified in a priority of cash flow waterfall. For details see "*Description of the Notes – Trust and Retention Account Agreement*".
Trustee	Citicorp International Limited.
Paying Agent, Transfer Agent and Registrar	Citibank, N.A., London Branch.
Security Trustee	Axis Trustee Services Limited.
No Registration Rights	The Co-Issuers are not required to and do not intend to register the Notes for resale under the Securities Act or the securities laws of any other jurisdiction or to offer to exchange the Notes for Notes registered under the Securities Act or the securities laws of any other jurisdiction.

Governing Law	Each of the Notes, the Guarantees and the Indenture will be governed by and construed in accordance with the laws of the State of New York. The agreements securing the applicable Collateral, the Security Sharing Agreement and the Trust and Retention Account Agreement will be governed by and construed in accordance with the laws of India.
Risk Factors	You should carefully consider the information under the caption "*Risk Factors*" and the other information included in this offering memorandum before deciding whether to invest in the Notes.

Legal Entity Identifiers

Kanak Renewables Limited:	3358006BJEB9NK6X5U22
Rajat Renewables Limited:	335800ULA8Z68J76K744
ReNew Clean Energy Private Limited:	3358008RR2HQOCUDCQ35
ReNew Saur Urja Private Limited:	335800X43FFQIDYH4380
ReNew Solar Energy (Telangana) Private Limited:	335800958VB75G6OKG63
ReNew Wind Energy (Budh 3) Private Limited:	335800RXIONM6PZ2UD04
ReNew Wind Energy (Devgarh) Private Limited:	335800CLGN1JC1WVT835
ReNew Wind Energy (Rajasthan 3) Private Limited:	335800NFVVERDWGMUV26

Security Codes

	Rule 144A Global Note	**Regulation S Global Note**
ISIN	US75973NAA28	USY7275HAA69
Common Code	196261265	196261281
CUSIP	75973N AA2	Y7275H AA6

Ratings	The Notes are expected to be rated "BB" by Fitch, Inc. ("Fitch") and "BB-" by Standard and Poor's Financial Services LLC ("S&P"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing	Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Notes are listed on the SGX-ST.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Co-Issuers will appoint and maintain a paying agent in Singapore where the Notes may be presented or surrendered for payment or redemption in the event that the Global Notes are exchanged for individual definitive notes in certificated form. In addition, in the event that the Global Notes are exchanged for individual definitive notes in certificated form, an announcement of such exchange will be made by or on behalf of the Co-Issuers through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive notes in certificated form, including details of the paying agent in Singapore.

Certain United States Federal Income Tax Considerations to U.S. Holders

For a discussion of certain U.S. federal income tax considerations to U.S. holders of an investment in the Notes, see "*Taxation – Certain United States Federal Income Tax Considerations to U.S. Holders*." You should consult your own tax advisor to determine the U.S. federal, state, local and other tax consequences of an investment in the Notes.

Original Issue Discount

The Notes may be issued with original issue discount ("OID") for U.S. federal income tax purposes. In such event, U.S. holders (as defined under "*Taxation – Certain United States Federal Income Tax Considerations to U.S. Holders*") generally will be required to include such OID in gross income (as ordinary income) on an annual basis under a constant yield accrual method regardless of their regular method of accounting for U.S. federal income tax purposes. As a result, U.S. holders will generally include any OID in income in advance of the receipt of cash attributable to such income. See "*Taxation – Certain United States Federal Income Tax Considerations to U.S. Holders – Original Issue Discount.*"

SUMMARY FINANCIAL AND OTHER DATA

The Group's and the Restricted Group's summary financial information presented below have been derived from the financial statements of the Group and the Restricted Group, respectively, included elsewhere in this offering memorandum and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Group's audited consolidated financial statements as at and for the fiscal years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 have been prepared in accordance with Ind AS. The Group's summary financial information as at and for the years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 presented below should be read in conjunction with the audited consolidated financial statements as at and for the years ended March 31, 2017, and 2018 and for the nine months ended December 31, 2017 and the notes thereto included elsewhere in this offering memorandum and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Group's reviewed interim consolidated financial statements as at and for the nine months ended December 31, 2018 have been prepared in accordance with Ind AS and the Companies Act. The summary financial information presented below as at March 31, 2016 has been extracted from the comparatives as presented in the audited consolidated financial statements of the Group as at and for the year ended March 31, 2017. The Group's summary financial information as at and for the nine months ended December 31, 2017 and 2018 presented below are not necessarily indicative of the results of the full fiscal year, and should be read in conjunction with the interim consolidated financial statements as at and for the nine months ended December 31, 2017 and 2018 and the notes thereto included elsewhere in this offering memorandum and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Restricted Group's audited special purpose combined financial statements as at and for the fiscal years ended March 31, 2016, 2017 and 2018 have been prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India. The Restricted Group's summary financial information as at and for the years ended March 31, 2016, 2017 and 2018 presented below should be read in conjunction with the audited special purpose combined financial statements as at and for the years ended March 31, 2016, 2017, and 2018 and the notes thereto included elsewhere in this offering memorandum and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Restricted Group's unaudited special purpose interim combined financial statements as at and for the nine months ended December 31, 2017 and 2018 have been prepared in accordance with Ind AS and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India. The Restricted Group's summary financial information as at and for the nine months ended December 31, 2017 and 2018 presented below are not necessarily indicative of the results of the full respective fiscal years, and should be read in conjunction with the interim consolidated financial statements as at and for the nine months ended December 31, 2017 and 2018 and the notes thereto included elsewhere in this offering memorandum and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Group

The following tables set out summary financial data from the Group's consolidated financial statements for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)(1)	(Rs. in millions)		(US$ in millions)(1)
Consolidated Statement of Profit or Loss							
Income							
Revenue from operations	6,136	13,073	24,617	353	18,925	34,491	494
Other income	1,274	2,435	3,178	45	2,123	3,528	51
Exceptional items	1,171	–	–	–	–	–	–
Total income	**8,581**	**15,508**	**27,795**	**398**	**21,048**	**38,019**	**545**
Expenses							
Total expenses	**1,052**	**2,406**	**4,728**	**68**	**2,993**	**4,584**	**66**
Depreciation and amortization expense	2,084	3,828	7,125	102	5,105	9,251	132
Finance costs	4,433	8,259	15,101	216	10,822	20,225	290
Profit before share of jointly controlled entities and tax	**1,012**	**1,015**	**841**	**12**	**2,128**	**3,959**	**57**
Share of profit/(loss) of jointly controlled entities	–	–	0	0	–	(16)	(0)
Profit before tax	**1,012**	**1,015**	**841**	**12**	**2,128**	**3,943**	**57**
Tax expense							
Current tax	224	441	560	8	586	1,259	18
Deferred tax	(130)	68	(163)	(2)	142	188	3
Adjustment of tax relating to earlier periods	3	–	(76)	(1)	–	(16)	0
Profit for the period	**915**	**506**	**520**	**7**	**1,400**	**2,512**	**36**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

	As at March 31,				As at December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)(1)	(Rs. in millions)		(US$ in millions)(1)
Non-current assets							
Property, plant and equipment	61,868	127,577	238,442	3,417	167,680	249,339	3,573
Capital work in progress	13,375	19,094	7,444	107	5,824	10,943	157
Goodwill on consolidation	23	293	10,953	157	1,009	10,953	157
Intangible assets	42	1,175	25,207	361	3,261	25,714	368
Intangible assets under development	–	–	1,424	20	5	148	2
Investment in jointly controlled entities	–	–	1,001	14	–	979	14
Financial assets							
Investments	–	–	643	9	–	643	9
Loans	27	22	62	1	82	70	1
Others	2,393	31	2,533	36	65	222	3
Deferred tax assets (net)	746	1,342	1,523	22	1,547	1,868	27
Prepayments	68	770	1,720	25	754	3,444	49
Other non-current assets	10,013	9,570	7,085	101	9,353	15,940	229
Total non-current assets	**88,555**	**159,874**	**298,037**	**4,270**	**189,580**	**320,263**	**4,589**

	As at March 31,				As at December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Current assets							
Inventories	–	14	153	2	38	627	9
Financial assets							
Investments	–	6	9,269	133	8,026	–	–
Derivative instruments	180	–	75	1	–	1,453	21
Trade receivables	3,200	4,841	6,701	96	8,916	17,445	250
Cash and cash equivalent	3,632	27,139	13,914	200	4,196	6,451	92
Bank balances other than cash and cash equivalent	9,908	4,507	10,322	148	9,769	17,761	255
Loans	4	0	34	0	16	23	0
Others	939	1,995	4,755	68	2,877	2,016	29
Prepayments	54	210	492	7	275	718	10
Other current assets	655	2,678	2,016	29	3,911	2,375	34
Total current assets	**18,572**	**41,390**	**47,731**	**684**	**38,023**	**48,869**	**700**
Total assets	**107,127**	**201,264**	**345,768**	**4,954**	**227,603**	**369,132**	**5,289**
Equity and liabilities							
Equity share capital	2,608	3,384	3,772	54	3,384	3,799	54
Other equity							
Equity component of compulsory convertible debentures	147	–	–	–	–	–	–
Share application money pending allotment	–	–	–	–	–	1	0
Securities premium	31,244	50,065	66,376	951	50,706	67,160	963
Capital reserve	–	114	114	2	114	114	2
Debenture redemption reserve	370	1,065	2,422	34	1,932	3,093	44
Hedging reserve	(131)	(978)	(271)	(4)	(640)	(526)	(8)
Share based payment reserve	1,397	1,183	1,027	15	918	1,027	15
Defined benefits obligation reserve	(1)	(4)	–	–	–	–	–
Foreign currency translation reserve	–	–	–	–	–	(1)	(0)
Retained earnings	(742)	(1,111)	(2,175)	(31)	(755)	(543)	(8)
Equity attributable to owners of the parent	**34,892**	**53,718**	**71,265**	**1,021**	**55,659**	**74,124**	**1,062**
Non-controlling interests	1,665	3,126	3,414	49	3,340	3,659	53
Total equity	**36,557**	**56,844**	**74,679**	**1,070**	**58,999**	**77,783**	**1,115**
Non-current liabilities							
Financial liabilities							
Long-term borrowings	51,904	102,445	209,287	2,999	136,146	221,705	3,176
Deferred government grant	–	12	287	4	273	455	7
Long-term provisions	12	25	47	1	23	69	1
Deferred tax liabilities (net)	167	360	5,908	85	1,367	6,350	91
Other non-current liabilities	600	968	2,274	32	1,370	2,935	42
Total non-current liabilities	**52,683**	**103,810**	**217,803**	**3,121**	**139,179**	**231,514**	**3,317**

	As at March 31,				As at December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Current liabilities							
Financial liabilities							
Short-term borrowings	4,881	16,575	19,365	277	8,090	26,889	385
Trade payable							
Outstanding dues to micro enterprises and small enterprises	–	–	–	–	–	–	–
Others	332	2,394	2,735	39	4,104	3,463	50
Derivative instruments	233	2,244	931	13	1,880	695	10
Other current financial liabilities	12,173	18,279	28,810	413	14,836	27,770	398
Deferred government grant	–	–	12	0	12	22	0
Other current liabilities	247	1,039	1,221	18	374	543	8
Short-term provisions	21	79	212	3	129	453	6
Total current liabilities	**17,887**	**40,610**	**53,286**	**763**	**29,425**	**59,835**	**857**
Total liabilities	**70,570**	**144,420**	**271,089**	**3,884**	**168,604**	**291,349**	**4,174**
Total equity and liabilities	**107,127**	**201,264**	**345,768**	**4,954**	**227,603**	**369,132**	**5,289**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Consolidated Cash Flow Statement							
Net cash from operating activities	3,558	5,303	19,912	285	12,737	20,897	299
Net cash (used in) investing activities	(43,524)	(56,226)	(104,578)	(1,498)	(57,415)	(35,044)	(502)
Net cash from financing activities	35,723	74,430	71,441	1,024	21,734	6,684	96
Cash and cash equivalents at the end of the year/period	3,631	27,139	13,914	199	4,195	6,451	92

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Other Financial Data							
EBITDA[2]	7,529	13,102	23,067	331	18,055	33,435	479
EBITDA margin[3]	88%	84%	83%	83%	86%	88%	88%
Capital expenditure[4]	34,651	64,149	52,297	749	40,702	39,545	567

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(2) For the Group, EBITDA is calculated by adding depreciation and amortization expense, finance costs and share in profit/(loss) of jointly controlled entities to profit/(loss) before tax. The Group's management believes that EBITDA is meaningful for investors because it provides an analysis of the Group's operating results, profitability and ability to service debt and because EBITDA is used by the Group's chief operating decision makers to track its business evolution, establish operational and strategic targets and make important business decisions. The Group's methods for calculating EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA is not a measure of performance under Ind AS and you should not consider EBITDA as an alternative to (a) operating profit or profit for the period as a measure of the Group's operating performance, (b) cash flows from operating, investing and financing activities as a measure of the Group's ability to meet the Group's cash needs or (c) any other measures of performance under Indian AS. For a description of the limitations of EBITDA as a financial measure, see "*Presentation of Financial and Other Data – EBITDA and Non-Ind AS Financial Measures*."

(3) EBITDA margin is calculated as EBITDA divided by total income.

(4) Capital expenditure refers to purchase of property, plant and equipment including movement in capital work in progress, capital creditors and capital advances as per the cash flow statement of the respective period.

The following table reconciles EBITDA to profit before tax for the periods indicated:

	March 31,				December 31,		
	2016	**2017**	**2018**	**2018**	**2017**	**2018**	**2018**
		(Rs. in millions)		**(US$ in millions)[2]**	**(Rs. in millions)**		**(US$ in millions)[3]**
Profit before tax	**1,012**	**1,015**	**841**	**12**	**2,128**	**3,943**	**57**
Add: Share in loss of jointly controlled entities	–	–	0	0	–	16	0
Add: Finance costs	4,433	8,259	15,101	216	10,822	20,225	290
Add: Depreciation and amortization expense	2,084	3,828	7,125	102	5,105	9,251	132
EBITDA[1]	**7,529**	**13,102**	**23,067**	**331**	**18,055**	**33,435**	**479**
Total income	**8,581**	**15,508**	**27,795**	**398**	**21,048**	**38,019**	**545**
EBITDA margin[2]	88%	84%	83%	83%	86%	88%	88%

(1) For the Group, EBITDA is calculated by adding depreciation and amortization expense, finance costs and share in profit/(loss) of jointly controlled entities to profit/(loss) before tax. The Group's management believes that EBITDA is meaningful for investors because it provides an analysis of the Group's operating results, profitability and ability to service debt and because EBITDA is used by the Group's chief operating decision makers to track its business evolution, establish operational and strategic targets and make important business decisions. The Group's methods for calculating EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA is not a measure of performance under Ind AS and you should not consider EBITDA as an alternative to (a) operating profit or profit for the period as a measure of the Group's operating performance, (b) cash flows from operating, investing and financing activities as a measure of the Group's ability to meet the Group's cash needs or (c) any other measures of performance under Indian AS. For a description of the limitations of EBITDA as a financial measure, see "*Presentation of Financial and Other Data – EBITDA and Non-Ind AS Financial Measures*."

(2) EBITDA margin is calculated as EBITDA divided by total income.

(3) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

Restricted Group

The following tables set out selected financial data from the Restricted Group's special purpose combined financial statements for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Combined Statement of Profit or Loss							
Income							
Revenue from operations	467	1,784	3,793	54	2,760	4,685	67
Other income	99	390	351	5	257	500	7
Exceptional items	120	–	–	–	–	–	–
Total income	**686**	**2,174**	**4,144**	**59**	**3,017**	**5,185**	**74**
Expenses							
Total expenses	92	283	512	7	338	795	11
Depreciation and amortization expense	244	494	1,112	16	774	1,391	20
Finance costs	472	1,086	1,942	28	1,371	2,389	34
Profit/(loss) before tax	**(122)**	**311**	**578**	**8**	**534**	**610**	**9**
Tax expense							
Current tax	2	57	127	2	100	105	2
Deferred tax	(40)	254	(79)	(1)	70	227	3
Tax for earlier years	–	–	6	0	6	(0)	–
Profit/(loss) after tax	**(84)**	**0**	**524**	**7**	**358**	**278**	**4**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

	As at March 31,				As at December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Non-current assets							
Property, plant and Equipment	10,138	14,103	37,353	535	29,254	38,428	551
Capital work-in-progress	189	8,977	441	6	2,551	234	3
Investment property	–	1	1	0	1	1	0
Intangible assets	–	–	–	–	–	44	1
Financial assets	–	–	–	–	–	–	–
Loans	–	3	–	–	–	4	0
Others	0	0	30	1	0	150	2
Deferred tax assets (net)	213	231	167	2	109	63	1
Prepayments	8	21	14	1	15	117	2
Other non-current assets	1,092	1,139	452	6	1,288	329	4
Total non-current assets	**11,640**	**24,475**	**38,458**	**551**	**33,128**	**39,370**	**564**
Current assets							
Inventories	–	–	–	–	–	4	0
Financial assets							
Investments	–	–	354	5	–	–	–
Derivative instruments	94	–	1	0	–	461	7
Loans	–	–	1,218	18	887	1,466	21
Trade receivables	357	518	920	13	1,174	2,473	35
Cash and cash equivalents	448	2,422	459	7	1,008	1,344	19
Bank balances other than cash and cash equivalent	1,115	562	2,313	33	1,210	1,715	25
Others	175	482	551	8	528	281	4
Prepayments	5	17	23	0	21	59	1
Other current assets	38	25	67	1	126	183	3
Total current assets	2,232	4,026	5,906	85	4,954	7,986	115
Total assets	**13,872**	**28,501**	**44,364**	**636**	**38,172**	**47,356**	**679**
Equity and liabilities							
Equity Share	118	218	269	4	259	269	4
Other equity							
Equity component of compulsory convertible debentures	–	401	401	6	401	401	6

	As at March 31,				As at December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Equity component of preference shares	362	476	517	7	517	517	7
Share application money pending allotment	50	–	–	–	–	–	–
Securities premium	3,041	4,965	5,792	83	5,703	5,794	83
Hedging reserve	(103)	(394)	(189)	(3)	(339)	(56)	(1)
Retained earnings	(310)	(310)	214	3	48	492	7
Total equity	**3,158**	**5,356**	**7,004**	**100**	**6,589**	**7,417**	**106**
Non-current liabilities							
Financial liabilities							
Long-term borrowings	7,489	15,000	15,822	227	13,491	16,904	242
Deferred tax liabilities (net)	–	45	12	0	21	182	3
Other non-current liabilities	77	163	196	3	190	218	3
Total non-current liabilities	7,566	15,208	16,030	230	13,702	17,304	248
Current liabilities							
Financial liabilities							
Short-term borrowings	926	3,949	8,883	127	6,814	11,830	170
Trade payables							
Outstanding dues to micro enterprises and small enterprises	–	–	–	–	–	–	–
Others	56	285	524	8	349	902	13
Other current financial liabilities[2]	2,014	2,628	11,111	159	9,469	9,808	140
Derivative instruments	118	1,031	713	10	1,214	54	1
Other current liabilities	33	43	87	2	35	34	0
Short-term provisions	1	1	12	0	–	7	0
Total current liabilities	**3,148**	**7,937**	**21,330**	**306**	**17,881**	**22,635**	**324**
Total liabilities	**10,714**	**23,145**	**37,360**	**536**	**31,583**	**39,939**	**572**
Total equity and liabilities	**13,872**	**28,501**	**44,364**	**636**	**38,172**	**47,356**	**678**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(2) Includes current portion of long-term borrowings.

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Combined Cash Flow Statement							
Net cash generated from operating activities	11	1,719	3,100	44	1,754	2,905	42
Net cash (used in) investing activities	(6,072)	(12,155)	(14,433)	(207)	(8,390)	(4,350)	(62)
Net cash generated from financing activities	6,376	12,410	9,370	134	5,222	2,330	33
Cash and cash equivalents at the end of the year/period	448	2,422	459	7	1,008	1,344	19

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	For the year ended March 31,				For the nine months ended December 31,[1]		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Other Financial Data							
EBITDA[2]	594	1,891	3,632	52	2,679	4,390	63
EBITDA margin[3]	87%	87%	88%	88%	89%	85%	85%
Capital expenditure[4]	5,165	12,858	11,277	162	6,973	5,080	73

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(2) For the Restricted Group, EBITDA is calculated by adding depreciation and amortization expense and finance costs to profit/(loss) before tax. The Group's management believes that EBITDA is meaningful for investors because it provides an analysis of the Group's operating results, profitability and ability to service debt and because EBITDA is used by the Group's chief operating decision makers to track the Group's business evolution, establish operational and strategic targets and make important business decisions. The Group's method for calculating EBITDA may not be comparable to other similarly titled measures of other companies, and this method of calculating EBITDA is different from that used in the Independent Consultant's Report to the extent that other income is not included in the latter. EBITDA is not a measure of performance under Ind AS and you should not consider EBITDA as an alternative to (a) operating profit or profit for the period as a measure of the Group's operating performance, (b) cash flows from operating, investing and financing activities as a measure of the Group's ability to meet its cash needs or (c) any other measures of performance under Ind AS. For a description of the limitations of EBITDA as a financial measure, see "*Presentation of Financial and Other Data – EBITDA and Non-Ind AS Financial Measures.*"

(3) EBITDA margin is calculated as EBITDA divided by total income.

(4) Capital expenditure refers to purchase of property, plant and equipment including movement in capital work in progress and capital advances as per the cash flow statement of the respective period.

The following table reconciles EBITDA to profit/(loss) before tax for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[2]	(Rs. in millions)		(US$ in millions)[3]
Profit/(loss) before tax	**(122)**	**311**	**578**	**8**	**534**	**610**	**9**
Add: Finance costs	472	1,086	1,942	28	1,371	2,389	34
Add: Depreciation and amortization expense	244	494	1,112	16	774	1,391	20
EBITDA[1]	**594**	**1,891**	**3,632**	**52**	**2,679**	**4,390**	**63**
Total income	**686**	**2,174**	**4,144**	**59**	**3,017**	**5,185**	**74**
EBITDA margin[2]	87%	87%	88%	88%	89%	85%	85%

(1) For the Restricted Group, EBITDA is calculated by adding depreciation and amortization expense and finance costs to profit/(loss) before tax. The Group's management believes that EBITDA is meaningful for investors because it provides an analysis of the Group's operating results, profitability and ability to service debt and because EBITDA is used by the Group's chief operating decision makers to track the Group's business evolution, establish operational and strategic targets and make important business decisions. The Group's method for calculating EBITDA may not be comparable to other similarly titled measures of other companies, and this method of calculating EBITDA is different from that used in the Independent Consultant's Report to the extent that other income is not included in the latter. EBITDA is not a measure of performance under Ind AS and you should not consider EBITDA as an alternative to (a) operating profit or profit for the period as a measure of the Group's operating performance, (b) cash flows from operating, investing and financing activities as a measure of the Group's ability to meet its cash needs or (c) any other measures of performance under Ind AS. For a description of the limitations of EBITDA as a financial measure, see "*Presentation of Financial and Other Data – EBITDA and Non-Ind AS Financial Measures.*"

(2) EBITDA margin is calculated as EBITDA divided by total income

(3) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

Certain Operating Data

The table below sets forth the total capacity of the operational projects of the Group and the Restricted Group as at December 31, 2018.

	As at December 31, 2018
	Capacity (MW)
Group operational projects	
Wind (Utility scale)	2,925.35
Solar (Utility scale)	1,241.00
Total (Utility scale)	**4,166.35**
Restricted group operational projects	
Wind	281.70
Solar	354.00
Total	**635.70**

The table below sets forth the weighted average commercial operation date, capacity, gross generation and PLF# of the Restricted Group's projects for the periods indicated.

		As at December 31,	For the year ended March 31,		For the nine months ended December 31,		For the 12 months ended December 31,	For the year ending March 31,
		2018	2017	2018	2017	2018	2018	2020E(2)
	Weighted Average Commercial Operation Date(1)	Capacity (MW)	PLF (%)					
Project								
Vaspet-IV	Nov-14	49.5	24.14	21.35	25.24	28.75	23.99	25.46
Bhesada	Mar-16	100.8	22.24	20.07	22.97	22.92	20.03	26.65
Kushtagi	Apr-18	71.4	NM	NM	NM	30.87	NM	29.00
SREI	May-12	60.0	NM	NM	NM	17.58*	NM	19.62
Dichipally	Jul-17	143.0	NM	19.02	18.68	18.64	18.99	20.47
Ittigi	Jan-17	50.0	NM	19.76	19.36	18.10	18.81	20.83
Raichur	May-17	50.0	NM	NM	NM	17.63	17.86	21.61
MP Solar II	Oct-17	51.0	NM	NM	NM	17.34	18.08	19.34
Wadgare	Dec-17	20.0	NM	NM	NM	18.85	NM	19.71
Nirna	Mar-18	20.0	NM	NM	NM	19.15	NM	19.71
Ladha	Mar-18	20.0	NM	NM	NM	15.27	NM	19.71
Total	–	**635.7**	–	–	–	–	–	–

(1) Calculated by the weighted average based on installed capacity.

(2) Provided by the Consultant's Report. See "*Summary – Consultant's Report.*" See also "*Risk Factors – Risks Relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate*."

* data presented post acquisition

historical data for wind projects is at wind turbine generator ("WTG") level and solar is post considering notional transmission losses

PLF is not meaningful ("NM") for assets that have not been operational for the full year.

RISK FACTORS

Investing in the Notes involves risk. You should carefully consider all the information in this offering memorandum, including the risks and uncertainties described below, before investing in the Notes. The risks and uncertainties described in this section are those that the Restricted Group believes are material to the Restricted Group or the Group, but these risks and uncertainties may not be the only ones the Restricted Group or the Group face. Additional risks and uncertainties, including those that the Restricted Group is not aware of or currently considers immaterial which may become material, may decrease the value of the Notes. If any of the following risks occur, the Restricted Group's business, prospects, financial condition, results of operations and cash flows could suffer, the value of the Notes could decline, the Restricted Group or the Company may not be able to meet its obligations under the Notes and you may lose all or part of your investment.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which differs in certain respects from that of other countries. This offering memorandum also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this offering memorandum. For further details, see "Forward-Looking Statements."

In making an investment decision, prospective investors must rely on their own examination of the Restricted Group, the Group and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of investing in the Notes.

Risks Relating to the Group's Business

Our customers may not be able to fulfil their contractual obligations as a result of their poor financial health or for other reasons, which may adversely affect our business, financial condition, results of operations and prospects.

Since the distribution of electricity is controlled in India by central agencies and state utilities, there is a concentrated pool of potential buyers for grid connected, utility scale electricity generated by our projects, which may restrict our ability to find new customers for the electricity generated by our projects. If any of our customers become unable or unwilling to fulfil their contractual obligations under the relevant PPA or refuse to accept delivery of power pursuant to the relevant PPA our business, financial condition, results of operations and prospects may be adversely affected as we may not be able to find other purchasers for such contracted capacities or replace the PPA on equivalent terms.

We have experienced and continue to experience delays in the receipt of payments from state electricity distribution companies ("DISCOMs") in several states in which we operate. As at December 31, 2018, our trade receivables amounted to Rs.17,445 million, of which DISCOMs accounted for Rs.16,513 million. Although the central and state governments in India have taken steps to improve the liquidity, financial condition and viability of DISCOMs through schemes such as the Ujwal Discom Assurance Yojana ("UDAY"), the DISCOMs that are our customers might not have the resources to pay our tariffs on time or at all as stipulated in their PPAs with us. For further details, see "*Industry Overview.*"

While we are entitled to charge interest for any such delay in payments, the delay in recovering (or refusal to pay) the amounts (including interest) due under these offtake arrangements could adversely affect our operational cash flows. Further, in certain instances such as in respect of our projects in Andhra Pradesh, despite delayed payments offtakers have claimed rebates in tariff payments (though such rebates are permitted under the PPA only if the distribution companies have made payments prior to the payment due date under the PPA). In addition, external events, such as an economic downturn, could impair the ability of some customers under our PPAs to pay for electricity received. For example, our customer IBM

India Private Limited ("IBM") entered into a PPA with ReNew Saur Urja for the offtake of 14 MW. IBM was unable to obtain the approvals required from its landlord to change meters in the property to enable ReNew Saur Urja to supply electricity to IBM. Accordingly, ReNew Saur Urja is in negotiations to terminate the relevant PPA.

Some customers may also become subject to insolvency or liquidation proceedings during the term of the relevant PPAs. Bringing action against our customers to enforce their contractual obligations is often difficult and even if we initiate any legal proceedings against any such entities, we might not receive a judgment in our favor or on a timely basis. A failure by any of our customers to meet its contractual commitments, or an insolvency or liquidation of any of our customers, could adversely affect our financial condition and results of operations.

The Group has in the past been in breach of some financial covenants and covenants relating to security creation timelines under certain financing arrangements and such breach may occur in future, and if the lenders choose to exercise their rights for any such future breach, it may have an adverse effect on the Group's business, cash flows, financial condition and results of operations.

The terms of our outstanding debt require us to comply with various covenants and conditions, such as creating security in accordance with the agreed security package and maintaining certain financial ratios including, for example, total debt to net worth and debt service coverage ratios, which are tested periodically. We are also subject to various restrictive covenants under our financial arrangements.

In the past, some of the borrowing companies belonging to the Group have not been in compliance with some of these financial ratios and security creation timelines. Further, for some of these financing arrangements, the Parent Guarantor has provided a guarantee and/or sponsor support undertaking in relation to the payment obligations of the borrower companies. There is no assurance that the Group will be in compliance with such financial covenants in the future.

Although, in the past, the Group has been able to cure such breaches, refinance the relevant facility, pay penal interest or procure a waiver or extension of time from the lender in relation to the breach, there can be no assurance that if any such breach were to occur in future, the Group will be able to remedy it in the same manner as done in the past.

For instance, ReNew Saur Urja, one of the Co-Issuers is currently not in compliance with certain covenants under its financing documents relating to security creation within the timelines prescribed under the financing documents. While ReNew Saur Urja has obtained extension of time for security creation from YES Bank Limited, it has not obtained the consent of IFCI Limited ("IFCI"). IFCI has not called an event of default and/or accelerated the facilities as of the date of this offering memorandum. Although the facility from IFCI is proposed to be repaid by this Co-Issuer, there can be no assurance that IFCI will not exercise their rights prior to such repayment of its loan. As of the date of this offering memorandum, none of our lenders have issued any notice of default or required us to repay any part of our borrowings as a result of such breaches.

Our PPAs expose us to several risks including those associated with cost overruns and delays.

Tariff rates for our PPAs for utility scale wind and solar energy projects are determined under a FiT or a bidding regime. Further, some of our PPAs for distributed solar energy projects provide for differential tariffs. However, the majority of our PPAs provide for fixed tariff rates. For further details, see "*Business.*" As a result, in the event of increases in operating costs or equipment costs, or increased costs as a result of changes in laws, we may not be able to pass these cost increases on to our customers. Therefore, the prices at which we supply power may have little or no relationship with the costs incurred in generating power.

Moreover, we have limited flexibility to modify the PPAs we are required to enter into with state electricity distribution companies and often these PPAs may not have adequate 'change of law' provisions or there may be differences of interpretation of these provisions, leading to disputes regarding operating costs and a consequent adverse impact on our cash flows, among other things. While some of our PPAs provide for tariff increase due to a change in law, any such increase in tariff can only be effective after determination by the relevant regulatory authorities after taking into account objections made by any counterparty. Further, regulators may not accept our computation of the impact of the change. In addition, in certain cases we may not be able to recover our costs in relation to a change in law if our PPAs do not provide for change in law or do not extend to all changes in law. In certain cases, the impact of change in law is covered only if it occurs after the execution of the relevant PPA and not during the interim period between the date of submission of the bid and execution of the PPA, though all our financial calculations and assumptions on cost, including taxes are made prior to the bid submission. For instance, the implementation of GST with effect from July 1, 2017 has led to an increase in tax rates on equipment used in our wind and solar energy projects, including material increases in the tax rates on components of solar power generating systems such as modules and cables, and on services such as civil and general works and evacuation costs. We might not be able to recover these increases by way of a corresponding increase in tariff due to such change in law.

Instances of non-compliance with the terms of our PPAs include: (i) in respect of our wind power projects in Andhra Pradesh, the distribution utilities are deducting amounts equivalent to the generation based incentives granted to us from the tariff being paid by them even though the PPAs do not permit such a deduction; (ii) in respect of some of the wind power projects in Andhra Pradesh, the relevant DISCOMs are paying tariffs only in respect of the power generated up to an amount based on an identified capacity utilization factor ("CUF") even though the PPAs do not contemplate a limit on the power which may be generated, sold and purchased based on an identified CUF; and (iii) in respect of one of our wind power projects in Madhya Pradesh, the state DISCOM is deducting the reactive power charges relating to the export of reactive power in addition to the reactive charges payable for the import of reactive power which is not contemplated by the PPA or applicable regulations.

Generally our PPAs also require that we bring our projects to commercial operation by certain dates. For example, there have been delays in commission of our Dichipally, Honnali and Turuvekere projects. If we are unable to adhere to such timelines for reasons other than as specifically contemplated in the PPAs, it could result in the reduction in tariffs, or other penalties, including our paying the offtaker liquidated damages in proportion to the amount of power not supplied, or granting the offtaker the right to draw on performance bank guarantees provided by us, including in certain cases up to 100% of the bank guarantee.

As a result, our PPAs expose us to several risks including those associated with cost overruns or delays which may materially and adversely affect our financial condition and results of operations.

We have substantial indebtedness and are subject to restrictive and other covenants under our debt financing arrangements.

We have substantial indebtedness outstanding. For details, see "*Description of Other Indebtedness.*" We expect to continue to finance a portion of our project development costs with debt financing. Our ability to meet our payment obligations under our outstanding debt depends on our ability to generate significant cash flow. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control.

Additionally, our financing arrangements contain restrictive covenants that require us to obtain the lenders' prior written consent for carrying out certain actions, including:

- raising capital;
- changing our constitution and amending our articles and memorandum of association;
- changing our capital structure and shareholding pattern;
- conducting a merger, consolidation, reorganization or amalgamation by the Company or its subsidiaries;

- making a substantial change in our management structure or nature of business;
- entering into long term contractual arrangements, schemes of expansion or acquiring assets in breach of the financial covenants;
- undertaking guarantee obligations or selling, assigning, mortgaging or disposing of any security; and
- prepaying any outstanding borrowings.

Any failure to comply with any condition or covenant under our outstanding financing agreements or any new financing agreements we may enter into from time to time (including technical defaults) may lead to enforcement of events of default which may result in actions including termination of any of our credit facilities, acceleration of amounts due under such facilities, imposition of penalty interest, exercise of step-in rights, invocation of security under such financial arrangements and exercise of rights to convert loans into equity shares, as well as cross-defaults (either triggered automatically or at the lenders' option) under certain of our other financing agreements. Any of these factors and other consequences that may result from our indebtedness could adversely affect our financial condition, cash flows and prospects as well as our ability to meet our payment obligations under our debt financing agreements.

Our PPAs may be terminated by our counterparties upon the occurrence of certain events.

Our PPAs typically allow the offtaker to terminate the agreement upon the occurrence of certain events, including the failure to:

- comply with prescribed minimum shareholding requirements;
- complete project construction or connect to the transmission grid by a certain date;
- supply the minimum amount of power specified;
- comply with prescribed operation and maintenance requirements;
- obtain regulatory approvals and licenses;
- comply with technical parameters set forth in grid codes and regulations; and
- comply with other material terms of the relevant PPA.

As a result, we cannot provide any assurance that PPAs containing such provisions will not be terminated. For example, MPPMCL terminated a PPA with ReNew Clean Energy alleging delay in the procurement of land. While the Supreme Court reinstated the PPA, we were directed to pay penalties of Rs.119.6 million in this regard.

Moreover, if a PPA is terminated, we could be exposed to additional legal liability and might not be able to enter into a replacement PPA on favorable terms or at all.

If a PPA is terminated and not replaced on similar terms, our results of operations may be adversely affected. In the few cases where we are entitled to receive termination payments from a counterparty on termination of a PPA, there can be no assurance that such counterparty will make such termination payments on time or at all. Further, it is unlikely that any such termination payment will be adequate to pay all the outstanding third party debt that we have incurred for the project.

Certain of our PPAs allow the offtaker to purchase a portion of the relevant project from us on the occurrence of certain events. Moreover, some of our PPAs entitle our lenders, on the occurrence of certain events, to replace the project SPV as operator of the project by a party of their preference. If such a buy-out or step-in occurs and we are unable to locate and acquire suitable replacement projects in a timely fashion, our business, financial condition and results of operations may be materially and adversely affected. Additionally, there can be no assurance that our offtakers will not suspend or cease payment for or purchase of electricity under our PPAs. The failure to enter into or renew offtake arrangements in a timely manner or at all and on terms (including at prices that permit operation of a related facility on a profitable basis) that are acceptable to us if at all, could materially and adversely affect our business, financial condition, results of operations and prospects.

A part of the project revenues of ReNew Clean Energy are subject matter of dispute with Madhya Pradesh Power Management Company Limited.

Madhya Pradesh Power Management Company Limited ("MPPMCL") has withheld a part of the payments required to be made to ReNew Clean Energy on the ground that the installed capacity of 68.73 MW DC in respect of the solar power plant located at village Bhansra, District Ashoknagar, Madhya Pradesh was more than the permissible limit of DC oversizing over the contracted capacity under the power purchase agreement i.e. 51 MW AC. MPPMCL has expressed its intent to consider 58.65 MW DC capacity of the project for making the payments. While ReNew Clean Energy has requested MPPMCL to make the payment in accordance with the terms of the PPA without any apportioning the matter is still under discussion between the parties. For details, see "*Business – Legal Proceedings*".

If ReNew Clean Energy is unable to receive the payments for the full capacity of the project, it will adversely affect the business, operation and financial condition of ReNew Clean Energy, and may also have an impact on the ability of ReNew Clean Energy to make payments in relation to the Notes.

We face risks and uncertainties when developing wind and solar energy projects.

The development and construction of wind and solar energy projects involve numerous risks and uncertainties and require extensive research, planning and due diligence. Before we can determine whether a solar or wind energy project is economically, technologically or otherwise feasible, we may be required to incur significant capital expenditure for land and interconnection rights, regulatory approvals, preliminary engineering, equipment procurement, legal and other work.

Success in developing a project depends on many factors, including:

- securing appropriate land, with satisfactory land use permissions, on reasonable terms;
- accurately assessing resource availability at levels deemed acceptable for project development and operations;
- receiving critical components and equipment (that meet our design specifications) on schedule and on acceptable commercial terms;
- securing necessary project approvals, licenses and permits in a timely manner;
- availability of adequate grid infrastructure and obtaining rights to interconnect the project to the grid or to transmit energy;
- obtaining financing on competitive terms;
- completing construction on schedule; and
- entering into PPAs or other offtake arrangements on acceptable terms.

There may be delays or unexpected difficulties in completing our projects as a result of these or other factors. We may also reduce the size of some of our projects due to the occurrence of any of these factors. If we experience such problems, our business, financial condition, results of operations and prospects could be materially and adversely affected. Additionally, these factors may adversely affect the demand for wind and solar energy projects in India, which could impair our business and prospects.

Our business has grown rapidly since our inception, and we may not be able to sustain our rate of growth.

We commenced operations in 2012 and our first project had an operational capacity of 25.20 MW. Since then, we have grown significantly, having nearly doubled our operational capacity in each of the last three fiscal years. As at December 31, 2018, we had an operational capacity of 4.24 GW. Since the size of our project portfolio has grown considerably, we may not be able to grow at similar rates in the future.

Although we intend to continue to expand our business significantly with a number of new projects in both existing and new geographies, we may not be able to sustain our historical growth rate for various reasons. Success in executing our growth strategy is contingent upon, among others:

- accurately prioritizing geographic markets for entry, including by making accurate estimates of addressable market demand;
- identifying suitable sites for our projects;
- participating in and winning renewable energy auctions on acceptable terms;
- acquiring land rights and developing our projects on time, within budget and in compliance with regulatory requirements;
- effectively tracking bid policies and bid updates;
- obtaining cost effective financing needed to develop and construct projects;
- sourcing components that meet our design specifications on schedule and within budget;
- negotiating favorable payment terms with suppliers and contractors;
- continued availability of economic incentives along expected lines; and
- signing PPAs or other offtake arrangements that are commercially acceptable to us.

Our existing operations, personnel and systems may not be adequate to support our growth and expansion plans and may require us to make additional investments in our business systems, operational procedures and business processes, and manage our employee base in order to expand our project development efforts. As we grow, we also expect to encounter additional challenges in relation to project selection, construction management and capital commitment processes, as well as our project financing capabilities. These factors may restrict our ability to take advantage of market opportunities, execute our business strategies successfully, respond to competitive pressures and maintain our historical growth rates.

Implementing our growth strategy requires significant capital expenditure and will depend on our ability to maintain our access to multiple funding sources on acceptable terms.

We require significant capital for the installation and development of our projects and to grow our business. We believe that we have benefitted from a well-balanced mix of equity, corporate debt and project financing that has contributed to the rapid growth of our business. We might not be able to continue financing or refinancing our projects with an effective combination of equity and debt as we have done in the past and the interest rates and the other terms of available financing might not remain attractive. Any changes to our growth strategy could impair our ability to grow our portfolio of wind and solar energy projects. In addition, rising interest rates could adversely affect our ability to secure financing on favorable terms and increase our cost of capital.

Our ability to obtain external financing on favorable terms is subject to a number of uncertainties, including:

- our financial condition, results of operations and cash flows;
- interest rates;
- our credit rating and those of our project SPVs;
- our ability to comply with financial covenants under our debt financing;
- the general condition of global equity and debt capital and project finance markets;
- regulatory and government support in the form of tax credit incentives and other incentives;
- the continued confidence of equity investors, banks, other financial institutions and specialized infrastructure lenders in us and the renewable energy industry; and
- economic, political and other conditions.

If we are unable to obtain financing on attractive terms or sustain the funding flexibility we have enjoyed in the past, our business, financial condition, results of operations and prospects may be materially and adversely affected.

The growth of our business depends on developing and securing rights to sites suitable for the development of our projects.

Our ability to realize our business and growth plans is dependent on our ability to develop and secure rights to sites suitable for the development of viable projects.

Wind and solar energy project sites require certain geological conditions that are not available in all areas. Suitable sites are determined on the basis of cost, wind and solar resource levels, topography, grid connection infrastructure and other relevant factors. Further, wind and utility scale solar energy projects must be interconnected to the power grid in order to deliver electricity, which requires us to find suitable sites with adequate evacuation and transmission infrastructure. Utility scale solar energy projects also require sufficient contiguous land for development. We cannot assure you that we will be able to procure contiguous parcels of land for our utility scale solar energy projects on terms that are acceptable to us, or at all. From time to time, we are involved in litigation in relation to the land parcels on which our utility scale energy projects are located. For details, see "*Business – Legal Proceedings.*"

Some locations used for evacuation and transmission facilities are not owned by us and are located on land owned by third parties. In such cases, we enter into arrangements for rights of way to construct the facilities. From time to time, we have faced interruptions on account of such third party land owners who obstruct construction or operation of such facilities.

Some of the land area we utilize or intend to utilize for our projects is on leasehold land, and we may be subject to conditions under the lease agreements through which we acquire rights to use such land. These conditions include restrictions on leasehold interest or rights to use the land, continual operating requirements, and other obligations which include obtaining requisite approvals, payment of necessary statutory charges and giving preference to local workers for construction and maintenance. We are also exposed to the risk that these leases will not be extended or will be terminated by the relevant lessees. Further, some of the wind energy projects which we have acquired from OEMs are located on government revenue land leased to the OEM. In such cases, the OEM has typically sub-leased the land to us. If the original lease for such land is terminated due to any action or omission by the OEM (over which we have no control), we may lose our leasehold rights as well. If any of the above factors occur, our successful land procurement cannot be assured. Any failure by us to secure suitable sites may materially impact the development of a project and may also result in non-compliance with related conditions under project agreements. If this occurs across a number of our projects, our business and prospects could be materially and adversely affected.

Growing our wind and solar energy project portfolio through acquisitions may subject us to additional risks that may adversely affect our business, financial condition, results of operations and prospects.

A principal component of our strategy is to continue to expand by focusing on growing our wind and solar energy portfolio through the development of new projects and selective acquisitions of existing or under development projects. For example, we acquired a portfolio of wind and solar energy projects of Ostro Energy and KCT Renewable Energy Private Limited ("KCT") in March 2018 and November 2017, respectively. For details, see "*Business – Strategies"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations.*" Successful integration of acquired projects will depend on our ability to effect any required changes in operations or personnel, and may require capital expenditure. We may encounter difficulties in integrating the acquired projects in a timely and cost-effective manner, difficulties in establishing effective management information and financial control systems, and unforeseen legal, regulatory, contractual or other issues. For example, in relation to our acquisition of SREI, the sub-lease for land on which the project is located has not yet been transferred to Kanak Renewables and Rajat Renewables (the entities which acquired SREI). Kanak Renewables entered into a PPA for 52 MW with Ajmer Vidhut Vitran Nigam Limited. We will commence the process of transferring a second PPA for the remaining 8 MW PPA with Jaipur Vidyut Vitran Nigam Ltd from India Power Corporation Limited to Kanak Renewables once the sub-lease for land on which this project is located has been transferred. However, we are expecting the sub-lease for land to be transferred to Kanak Renewables and Rajat Renewables within the next month following which we will pay the outstanding consideration. Any failure to successfully integrate the portfolio of wind and solar energy projects may limit our ability to grow our business.

While we evaluate acquisition opportunities based on our targeted return, operational scale and diversification criteria and whether we consider these opportunities to be available at reasonable prices, acquisitions involve risks that could materially and adversely affect our business, including the failure of the new acquisitions or projects to achieve the expected investment results, risks related to the integration of the assets or businesses and integration or retention of personnel relating to the acquired assets or companies, adverse impact of purchase price adjustments, and the inability to achieve potential synergies in a profitable manner, risks associated with the diversion of our management's attention from our existing business and risks associated with entering into any new markets.

In addition, liabilities may exist that we do not discover in our due diligence prior to the consummation of an acquisition, or circumstances may exist with respect to the entities or assets acquired that could lead to liabilities, litigation or reputational risk and unforeseen payments by us. In each case, we may not be entitled to sufficient, or any, recourse against the vendors or contractual counterparties to an acquisition agreement. The discovery of any material liabilities subsequent to an acquisition, as well as the failure of a new acquisition to perform according to expectations, could adversely affect our business, financial condition, results of operations and prospects.

If environmental conditions at our wind and solar energy projects are unfavorable, our electricity production, and therefore our revenue from operations, may be substantially below expectations.

The revenues generated by our projects are proportional to the amount of electricity generated, which in turn is dependent upon prevailing environmental conditions. Operating results for wind and solar energy projects vary significantly depending on natural variations from season to season and from year to year and may also change permanently because of climate change or other factors. In some periods, the wind or solar conditions may fall within our long-term estimates but not within the averages expected for such a period. In addition, the amount of electricity our projects produce is dependent in part on the amount of sunlight or irradiation (in the case of solar power projects) and on actual wind conditions, including wind speed (in the case of wind power projects).

Wind Energy Projects: Wind energy is highly dependent on weather conditions and in particular on wind conditions. The profitability of a wind energy project depends not only on observed wind conditions at the site, which are inherently variable, but also on whether observed wind conditions are consistent with assumptions made during the project development phase. Actual wind conditions at these sites, however, may not conform to the measured data in these studies and may be affected by variations in weather patterns, including any potential impact of climate change. For example, wind resource availability in recent years has generally been lower than projected, which has lowered the PLFs and energy generation at several of our projects. In addition, climatic conditions may be adversely affected by nearby objects (such as buildings, other large-scale structures or wind turbines) developed later by third parties. Therefore, the electricity generated by our wind energy projects may not meet our anticipated production levels. If the wind resources at a particular site are below the levels we expect including in terms of quality, our rate of return for that project would be below our expectations.

Solar Energy Projects: We base our investment decisions with respect to each solar energy project on the findings of related solar studies conducted on-site prior to construction. However, actual climatic conditions at a project site may not conform to the findings of these studies. Unfavorable weather and atmospheric conditions could impair the effectiveness of our projects or reduce their output to levels below their rated capacity. Furthermore, components of our systems, such as solar panels and inverters, could be damaged by severe weather conditions, such as hailstorms, tornadoes or lightning strikes or levels of pollution, dust and humidity. The operational performance of a particular solar energy project also depends on the contour of the land on which the project is situated. In case of a highly variable contour, the output of the solar farm situated on such a surface may be sub-optimal. Our solar power projects are also affected by the monsoon season, which generally lasts from May through September.

A sustained decline in environmental and other conditions at our wind or solar energy projects could materially and adversely decrease the volume of electricity generated and it could also impact market demand for wind and solar projects. As a consequence, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our business is dependent on the regulatory and policy environment affecting the renewable energy sector in India.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Our business and operations are governed by various laws and regulations, including the Electricity Act, 2003, National Electricity Policy, 2005 and National Tariff Policy, 2016, environmental and labor laws and other legislations enacted by the GoI and the relevant state governments in India. Our business and financial performance could be adversely affected by any unfavorable changes in or interpretations of existing laws, or the promulgation of new laws. There can be no assurance that the GoI or any state government in India will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on their operations, which could result in increased compliance costs as well as divert significant management time and other resources.

Further, we depend in part on government policies that support renewable energy and enhance the economic feasibility of developing renewable energy projects. The GoI and several of the states in which we operate or plan to operate or into which we sell power provide incentives that support the generation and sale of renewable energy, and additional legislation is regularly being considered that could enhance the demand for renewable energy and obligations to use renewable energy sources. In addition, regulatory policies in each state in India currently provide a favorable framework for securing attractive returns on capital invested. If any of these incentives or policies are adversely amended, eliminated or not extended beyond their current expiration dates, or if funding for these incentives is reduced, or if governmental support of renewable energy development, particularly wind and solar energy, is discontinued or reduced, it could adversely affect our ability to obtain financing, the viability of new renewable energy projects constructed based on current tariff and cost assumptions or the profitability of our existing projects. The GoI has accorded renewable energy "must-run" status, which means that any renewable power that is generated must always be accepted by the grid. However, certain state utilities may order the curtailment of renewable energy generation despite this status and there have been instances of such orders citing grid safety and stability issues being introduced in the past. This may occur as a result of the state electricity boards purchasing cheaper power from other sources or transmission congestion owing to a mismatch between generation and transmission capacities. There can be no assurance that the GoI will continue to maintain the "must-run" status for renewable energy or that the state electricity boards will not make any orders to curtail the generation of renewable energy.

We benefit from a number of government and other incentives in relation to renewable power generation and transmission. Some of the key incentives we benefit from include:

- preferential tariffs for wind and solar power assets under long-term PPAs;

- preferential charges on transmission, wheeling and banking facilities;

- GBI schemes for certain wind power assets;

- for projects commissioned before March 31, 2017, a 10-year tax holiday for certain power assets under the Income Tax Act; and

- availability of accelerated depreciation for wind and solar power assets.

There is no assurance that the GoI and state governments will continue to provide incentives and allow favorable policies to be applicable to us. The GoI and state governments may reduce or eliminate these economic incentives for political, financial or other reasons. For example, KERC has levied higher surcharge per unit on open access consumers, as well as other charges such as wheeling, banking and cross-subsidy charges. As a result of such a levy, charges levied for captive power projects undertaken by ReNew Wind Energy (Budh 3) and ReNew Saur Urja are likely to be impacted. Levy of such additional charges has been challenged before the High Court of Karnataka and the Appellate Tribunal for Electricity which have issued stay orders on their implementation. If these proposals are implemented, it could result in increased costs for us.

In addition, the Andhra Pradesh state DISCOMs were successful in a petition filed before the Andhra Pradesh Electricity Regulatory Commission in which they petitioned that the GBI benefit be passed on to DISCOMs. We have challenged the order of the APERC before the Hyderabad High Court, which stayed APERC's order. Despite the order in our favor, the DISCOMs continue to deduct GBI from our invoices. For details, see "*Business – Legal Proceedings*".

In addition, policy incentives may be available for a limited period, and there can be no assurance that the validity of such schemes will be extended. For example, in relation to wind energy projects the GBI scheme is applicable only to projects commissioned on or before March 31, 2017 and the prices fixed by the CERC for the REC market trading mechanism were valid only until fiscal year 2017.

Further, as per the Income Tax Act, power project units commissioned at any time beginning April 1, 1993 but before March 31, 2017 are entitled to special tax benefits, including the ability to deduct 100% of the profits and gains derived from power generation from such units for a period of 10 consecutive years out of the period of 15 years beginning from the year in which the unit commences power generation. Some of our power projects comprise units that were commissioned before March 31, 2017 and we are therefore entitled to the continued benefit of the tax holiday under the Income Tax Act in relation to such units. However, this tax holiday is not available in relation to any of our power generation units commissioned after March 31, 2017. We therefore face increased tax expenses in relation to these units, as a result of which our costs are expected to increase. Furthermore, upon the introduction of GST, incentives with respect to import duties on certain solar equipment have been discontinued.

The Ministry of Power has issued certain draft amendments to the Electricity Rules in relation to captive generating plants under the proposed Electricity (Second Amendment) Rules 2018. The amended rules, if adopted in their present form, would result in a change in the definition of 'ownership' of captive generating plants under the Electricity Rules and we may have to amend the capital structure of certain of our subsidiaries and associates in order to ensure compliance with the ownership requirements under the amended rules, if adopted in their present form.

We have not determined the impact of these recent and proposed changes on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our business currently or in the future.

Any change in policy that results in the curtailment of renewable energy generation may adversely affect our business. If governmental authorities do not continue supporting, or reduce or eliminate their support for, the development of renewable energy projects, it may become more difficult to obtain financing, our economic return on certain projects may be reduced and our financing costs may increase. A delay or failure by governmental authorities to administer incentive programs in a timely and efficient manner could also adversely affect our ability to obtain financing for our projects. These may, in turn, materially and adversely affect our business, financial condition, results of operations and prospects.

Lack of transparency, threat of fraud, public sector corruption and other forms of criminal activity involving government officials may increase our risk for potential liability under anti-corruption legislation, including the U.S. Foreign Corrupt Practices Act and other international anti-bribery laws.

We are subject to the U.S. Foreign Corrupt Practices Act (the "FCPA") and other international anti-bribery laws that prohibit improper payments or offers of improper payments to foreign governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage, and require the maintenance of internal controls to prevent such payments. Although we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees could take actions that expose us to potential liability under the FCPA or other applicable anti-bribery laws. In particular, in certain circumstances, we may be held liable for actions taken by our local partners and agents, even though such parties are not always subject to our control. Any determination that we have violated the FCPA or other international anti-corruption laws (whether directly or through acts of others, intentionally or through inadvertence) could result in penalties, both financial and non-financial, that could materially and adversely affect our business.

Technical problems may reduce energy production below our expectations.

Our generation assets, including transmission lines and facilities that we construct or own to connect to the electricity grid, may not continue to perform as they have in the past or as expected and there is a risk of equipment failure due to wear and tear, latent defects, design error or operator error, early obsolescence or force majeure events, among other things, which may lead to unexpected maintenance needs, unplanned outages or other operational issues and have a material adverse effect on our projects, business, financial condition and results of operations.

In addition, spare parts for wind turbines and key pieces of electrical equipment may be hard to acquire, or may have significant sourcing lead time. Wind turbines utilize the proprietary technology of the OEM vendor and so we can engage only with the particular vendor to procure the necessary parts and equipment. Sources for some significant spare parts and other equipment are located outside of India. If solar modules are damaged, obtaining replacement solar modules may also require significant sourcing lead time and sources for such replacements may be located outside of India. If we were to experience a shortage of, or inability to acquire, critical spare parts or replacement solar modules, we could incur significant delays in returning facilities to full operation.

Further, any mechanical failure or shutdown of equipment sourced from third parties could result in undamaged equipment that is dependent on or interacts with damaged sections of our facilities, including any transmission facilities, also having to be shut down. Such events could materially and adversely impact our generating capacity. If any shutdowns continue for extended periods, this may give rise to contractual penalties or liabilities, loss of customers and damage to our reputation. Although we are entitled to be compensated by manufacturers for certain equipment failures and defects in certain cases, these arrangements may not fully compensate us for the damage and loss suffered as a result thereof.

Our ability to deliver electricity to our various counterparties requires the availability of and access to interconnection facilities and transmission systems, and we are exposed to the extent and reliability of the Indian power grid and its dispatch regime.

Our ability to sell electricity is impacted by the availability of, and access to, relevant and adequate evacuation and transmission infrastructure required to deliver power to our contractual delivery point and the arrangements and facilities for interconnecting our generation projects to the transmission systems, which are owned and operated by third parties or state electricity boards. The operational failure of existing interconnection facilities or transmission facilities or the lack of adequate capacity on such interconnection or transmission facilities or evacuation infrastructure may adversely affect our ability to deliver electricity to our counterparties which may subject us to penalties under our PPAs.

India's physical infrastructure, including its electricity grid, is less developed than that of many countries. As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our projects may be curtailed. We may have to stop producing electricity during the period when electricity cannot be transmitted, for instance, when the transmission grid fails to work. This may affect our ability to supply the contracted amount of power to the offtaker which may result in imposition of certain penalties on us under the terms of the relevant PPAs. Furthermore, if construction of power projects in India, particularly in the states and regions that we operate in, outpaces transmission capacity of power grids, we may not be in a position to transmit, or have dispatched, all of our potential electricity to the power grid and therefore may be dependent on the construction and upgrading of grid infrastructure by government or public entities for increased capacity.

If transmission infrastructure does not already exist, is inadequate or otherwise unavailable, we are responsible (with aid from PGCIL in case of interstate bids) for establishing access through developing and constructing the required systems to establish the grid interconnection ourselves. In such cases, we will be exposed to additional costs and risks associated with developing transmission lines and other related infrastructure, including the ability to obtain rights of way from land owners for the construction of transmission grids, which may delay or increase the cost of our projects.

Although the GoI has accorded renewable energy "must-run" status (which means that any renewable power that is generated must always be accepted by the grid), under the Indian Electricity Grid Code promulgated by CERC, power producers and government entities are required to undertake planned generation and drawing of power in order to maintain the safety of the power grid. In some cases, this may result in a curtailment of our ability to transmit electricity into the power grid, which may adversely affect our financial condition and results of operations.

Restrictions on solar equipment imports may increase our business costs.

A substantial part of our equipment, mainly solar module panels, is imported from China and certain other countries. Any restrictions, either from the central or state/provincial governments of India or China, or from any other authorized bilateral or multilateral organizations, on such imports may adversely affect our business, results of operations and prospects. Further, as in certain countries, additional duties may be imposed in India on the equipment we import. For example, in January 2018, the United States imposed higher duties, starting at 30% and declining to 15% over the next four years, on imported solar module panels and cells. The GoI issued a notification providing for levy of safeguard duties on import of solar module panels from countries including China. Pursuant to this notification, we are liable to bear additional safeguard duties for any projects which are under-construction and where we may import solar modules from such countries. We filed a writ before the Madras High Court challenging the imposition of safeguard duty, however the Madras High Court refused to grant a stay.

We cannot assure that there will not be any new action by the relevant authorities imposing anti-dumping or other import duties or similar tariffs. Any such imposition will result in an increase in our input costs for our solar business, and, if the consequent increased costs cannot be passed on to offtakers, our margins will correspondingly decrease. An anti-dumping investigation was initiated by the Directorate General of Anti-Dumping and Allied Duties, Ministry of Commerce and Industry against the import of solar cells from China and certain other countries, which was challenged by our subsidiary, ReNew Solar Power in the High Court of Delhi. However, the investigation has now been terminated and no anti-dumping duties were levied. We cannot assure you that such restrictions or tariffs will not be imposed in the future, that the scope of such restrictions or tariffs will not be extended to cover equipment that we import, or that if such restrictions or tariffs are imposed we will be able to find alternative sources to procure equipment at competitive prices.

The loss of any of our senior management or key employees may adversely affect our ability to conduct our business and implement our strategy.

We depend on our management team and the loss of any key executives could negatively impact our business. We also depend on our ability to retain and motivate key employees and attract qualified new employees. Because the renewable energy industry is relatively new in India, there is a scarcity of skilled personnel with experience in the industry. If we lose a member of the management team or a key employee, we may not be able to replace him or her. Integrating new executives into our management team and training new employees with no prior experience in the renewable energy industry could prove disruptive to our operations, require a disproportionate amount of resources and management attention and may ultimately prove unsuccessful. An inability to attract and retain sufficient technical and managerial personnel could limit our ability to effectively manage our operational projects and complete our under development projects on schedule and within budget, which may adversely affect our business and strategy implementation.

Delays in obtaining, or a failure to maintain, governmental approvals and permits required to construct and operate our projects may adversely affect the development, construction and operation of our projects.

The design, construction and operation of our projects are highly regulated, require various governmental approvals and permits, and may be subject to conditions that may be stipulated by relevant government authorities which vary from state to state. There can be no assurance that all permits required for a given project will be granted in a timely manner or at all. If we fail to obtain or renew such licenses, approvals, registrations and permits in a timely manner, we may not be able to commence or continue operating our projects in accordance with our contracted schedules or at all, which could adversely affect our business and results of operations. Further, under the Electricity Act, 2003, we are required to obtain prior approval of the state Government or the GoI to set up overhead transmission lines. However, in certain states, governmental authorities have taken a view that this approval is not required for dedicated transmission lines as all the relevant details, including routes are, in any case, approved by the transmission utilities owned by the state Government or the GoI. While this is the current industry practice across such states, the state Government or the GoI could in the future mandate us to obtain this approval from it or impose any penalties in this regard.

There may also be delays on the part of governmental authorities in reviewing applications and granting approvals. Any delay or failure in the issuance of a permit essential to a project or the imposition of onerous conditions may impair our ability to develop the project. An example of such delay is the approval required for "change in land use from agricultural to non-agricultural" ("CLU") in certain states including Karnataka. Also, an IPP is not permitted to buy agricultural land in Karnataka without prior approval of the state government under the Land Reforms Act 1961. It can take between six months to two years to obtain either of these approvals. In Karnataka, we have a few projects where we do not yet have approvals for CLU, or permission under the Land Reforms Act 1961 to buy agricultural land. However, in order to meet the timelines under the relevant PPAs, the relevant project companies would start project execution without approval for CLU, and at times, would construct the project on lands on the basis of "agreements to sell" with land owners, pending the outcome of application. While several IPPs in Karnataka follow a similar practice and we have not faced any action by any governmental or judicial authority on this account, action could be taken in the future.

We are subject to credit and performance risk from third parties including EPC and O&M contractors.

We enter into contracts with third party providers for the supply of equipment, materials and other goods and services for the development, construction and operation of our projects (principally wind) as well as for other business operations. While we maintain a diversified set of vendors, we remain subject to the risk that vendors will not perform their obligations. If our vendors do not perform their obligations, or if they deliver any components that have a manufacturing defect or do not comply with the specified quality standards and technical specifications, we may have to enter into new contracts with other vendors at a higher cost or may suffer schedule disruptions. If our third party providers are not able to perform their obligations to provide EPC and O&M services, including due to bankruptcy, winding up or any injunction, we may incur additional costs in finding a replacement service provider or experience significant delays. If any third party provider enters bankruptcy or winds up its operations, we may experience difficulties in finding alternative contractors.

Our O&M contractors may fail to plan their operational strategy for the complete lifecycle of a given project, which could potentially create problems such as an inability to service turbines or solar modules over the project lifecycle, or failure to maintain the required site infrastructure or adequate resources at project sites. These could degrade such facilities. If our O&M contractors fail to perform as required under our O&M agreements, our affected projects may experience decreased performance, reduced useful life or shut downs, any of which may adversely affect our operational performance, financial condition and results of operations.

Furthermore, contractors and suppliers in our business are generally subject to liquidated damages for failure to achieve timely completion or performance shortfalls. Liability of contractors and suppliers under our EPC and O&M agreements, including liquidated damages, is generally limited to a specified amount or a percentage of the contract price or the annual fees payable. As a consequence, we may not be able to recover the full amount of losses that we may suffer due to any failure on the part of a contractor or supplier. Any disruption in our business relationships with our third party contractors may also result in delays or disruption of their services to us, which may adversely affect our results of operations.

Our revenues are exposed to changes in electricity tariffs and tariff regulation and structuring.

Our most significant source of revenue is derived from the sale of electricity based on the tariffs specified in our PPAs, which are determined (i) in the case of sale to state DISCOMs or any other government owned power purchaser, at a tariff determined by competitive bidding or on a pre-determined FiT based on the applicable tariff regulations made by the CERC and the relevant SERCs; and (ii) in the case of sale to any captive customers and/or third party private purchaser, at a tariff which is commercially agreed between the parties and in most cases includes all taxes and access and wheeling charges which are determined by the CERC or the relevant SERC. Any changes in tariffs and tariff regulation may adversely affect our financial condition. For example, APSPDCL filed a petition before APERC for review of parameters specified in the wind tariff regulations of the state of Andhra Pradesh. The DISCOM have sought a review to revise the tariffs under PPAs executed with various wind developers in the state of Andhra Pradesh. For more information see "*Business – Legal Proceedings.*"

In relation to tariffs which are to be approved by the SERC or the CERC, the additional costs of operating our projects might not be recovered if the approved tariffs are lower than our projected tariffs. In addition, where the tariff is determined based during competitive bidding process, our estimates when calculating such costs and charges might not be accurate or effective and we might not enable us to recoup the underlying costs under such contracts. Further, in certain cases, our PPAs provide for a reduction of tariff if we fail to commission the project by the scheduled date of commissioning set out in the PPA. In certain cases, the term of our PPAs is less than the expected life of our projects, which may expose us to the risk of being unable to sell the power we generate after the term of the PPA or sell power at less favorable tariffs and terms than under the original PPAs for such projects.

Any of the above factors may adversely affect our financial condition and results of operations.

We face competition from conventional and other renewable energy producers.

Our primary competitors include domestic and foreign conventional and renewable energy project developers, IPPs and utilities. We compete with renewable energy project developers in India on the basis of a number of differentiating factors in the industry, including the success of other alternative energy generation technologies (such as fuel cells, nuclear, hydro-power and biomass), site selection, access to vendors, access to project land, efficiency and reliability in project development and operation and auction bid terms. For example, we generally acquire the rights to develop and generate power from new projects through a competitive bidding process, in which we compete against our competitors for project awards based on, among other things, pricing, technical and engineering expertise, financial conditions, including specified minimum net worth criteria, financing capabilities and track record. Submitting a competitive bid at a wind or solar power project auction requires extensive research, planning, due diligence and a willingness to operate with lower operating margins for sustained periods of time. If we miscalculate or misjudge our tariff rates and incorrectly factor the costs of construction, development, land acquisition and price of components (including due to increase in duties and other levies), the economics of our bid may be affected and the project may become economically unviable.

Further, we compete with both conventional and renewable energy companies for the financing needed to develop and construct projects. We also compete with other conventional and renewable energy companies in India for a limited pool of personnel with requisite industry knowledge and experience, equipment supplies, permits and land to develop new projects. Our operational projects may compete on price if we sell electricity into power markets at wholesale market prices. We may also compete with other conventional energy (whose tariffs may be more competitive) and renewable energy generators when we bid on, negotiate or renegotiate a long-term PPA. Additionally, some state utilities may have a preference for entering into PPAs with conventional energy suppliers.

Some of our competitors may have greater financial, marketing, personnel and other resources than we do and may be in a position to acquire renewable energy projects by paying a significant premium or otherwise seek to grow their business more aggressively. A reduction in demand for energy from renewable energy sources or our failure to successfully acquire new renewable energy projects may adversely affect our business and financial condition. Furthermore, technological progress in conventional forms of electricity generation or the discovery of large new deposits of conventional fuels could reduce the cost of electricity generated from those sources or make them more environmentally friendly, and as a consequence reduce the demand for electricity from renewable energy sources or render our projects uncompetitive which may affect our business, financial condition and prospects. Demand for renewable energy may also be adversely impacted by public perceptions of the direct and indirect benefits of adopting renewable energy technology as compared against using conventional forms of electricity generation.

Further, certain of our competitors may also grow through corporate reorganizations or alliances with other competitors. Any growth in the scale of our competitors may result in the establishment of advanced in-house engineering, EPC, and O&M capabilities, which may offset any current advantage we may have over them. Moreover, any merger of our suppliers or contractors with any of our competitors may limit our choices of suppliers or contractors and reduce our overall project execution capabilities. In addition, our competitors may have greater financial resources and more localized business presence. Increased competition may result in price reductions, reduced margins and a loss of our market share, any of which may adversely affect our business, financial condition and prospects.

Current or future litigation or administrative proceedings could have a material adverse effect on the Group's business, financial condition and results of operations.

There are outstanding legal proceedings involving the Group which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert our management's time and attention and consume financial resources in their defense or prosecution. From time to time, the Group has also been involved in disagreements or disputes with the Group's counter-parties in relation to the terms of the Group's performance under its existing PPAs. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could materially adversely affect our reputation, business, financial condition and results of operations.

See "*Business – Legal Proceedings*" for a summary of outstanding material legal proceedings involving the Restricted Group and the Parent Guarantor. Unfavorable outcomes or developments relating to these proceedings, could have a material adverse effect on the Restricted Group's or the Parent Guarantor's business, financial condition and results of operations.

If we are unable to maintain an effective system of internal controls and compliances our business and reputation could be adversely affected.

While we manage regulatory compliance by monitoring and evaluating our internal controls to ensure that we are in compliance with all relevant statutory and regulatory requirements, there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. For example, there have been various instances of delays in relation to filing of statutory forms and insufficient payment of stamp duty upon issuance of securities by us from time to time, which we have settled with the relevant regulatory authority through payment of additional fees, as applicable. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

The government may exercise rights of compulsory acquisition in respect of any land owned by us and compensation for such acquisition may be inadequate.

We are subject to the risk that governmental agencies in India may exercise rights of compulsory purchase of lands. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (the "Land Acquisition Act") came into force with effect on January 1, 2014 and allows the central and state governments to exercise rights of compulsory purchase of land if such acquisition is for a "public purpose," which, if used in respect of our land, could require us to relinquish land. However, the compensation paid pursuant to such an acquisition may not be adequate to compensate us for the loss of the property. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Additionally, the provisions of the Land Acquisition Act cover various aspects related to the acquisition of land which may affect us, including provisions stipulating: (i) restrictions on acquisition of certain types of agricultural land; and (ii) compensation, rehabilitation and resettlement of affected people residing on such acquired land. Further, we may face difficulties in complying with the Land Acquisition Act as it is a relatively recent statute with limited case-law interpreting its provisions. Any action under the Land Acquisition Act in respect of any of our major current or proposed developments could adversely affect our business, financial condition, results of operations, cash flows or prospects.

Our in-house EPC operations expose us to certain risks.

We undertake EPC-related services for our solar energy projects (and may undertake such services for our wind energy projects) in-house, which exposes us to certain risks that would ordinarily be borne by third parties if we outsourced these services. For example, entering into third party EPC contracts on the basis of fixed price contracts would insulate us from adverse price fluctuations for the equipment and materials we use for constructing solar power projects. As a result, we are exposed to construction cost risks that could be caused by various factors, including:

- increases in the price and availability of labor, equipment and materials;
- inaccuracies of drawings and technical information;
- delays in the delivery of equipment and materials to project sites;
- unanticipated increases in equipment costs;
- delays caused by local and seasonal weather conditions; and
- any other unforeseen design and engineering issues, or physical, site and geological conditions that may result in delays.

Additionally, we are primarily responsible for all equipment and construction defects, potentially adding to the cost of construction of our solar power projects. Although we generally obtain warranties from our equipment suppliers, we cannot assure that we will be successful with any warranty claims against our suppliers.

The Parent Guarantor's major shareholders may sell a substantial portion or all the shares they own in the Parent Guarantor.

As of December 31, 2018, GS Wyvern Holdings Limited, Global Environment Fund and ADIA respectively held 48.62%, 3.26% and 15.92% of the Parent Guarantor's equity shares. There can be no assurance that GS Wyvern Holdings Limited, Global Environment Fund or ADIA will not attempt to sell a substantial portion or even all of their interests in the shares of the Parent Guarantor, while the Notes remain outstanding. If any such sale were to be consummated, the composition of the board of directors of the Parent Guarantor or the control structure of the Parent Guarantor and the Group may significantly change. Such change may not necessarily trigger a Change of Control Triggering Event which would require the Co-Issuers to make a Change of Control Offer to repurchase the outstanding Notes.

If we incur an uninsured loss or a loss that significantly exceeds the limits of our insurance policies, the resulting costs may adversely affect our financial condition.

Our main assets include wind turbine generators and solar panels. Operating these assets involves risks and hazards that may adversely affect our operations, including equipment failures, natural disasters, environmental hazards and industrial accidents. These and other hazards can cause or result in personal injury or death, severe damage to and destruction of property, plant and equipment and suspension of operations. For instance, in January 2018, a contract worker had a fatal accident at one of our solar energy project sites owned by ReNew Wind Energy (Budh 3) in Karnataka. The third party contractor made payments to the worker's family, and no claims were made against our Group, nor do we anticipate any further claims or investigations into this incident. We may also face contractual or civil liabilities or fines in the ordinary course of business as a result of damages suffered by PPA counterparties or third parties, which may require us to make indemnification or other damage payments under contract or otherwise in accordance with law, and our contracts may not have adequate limitations of liability for direct or indirect damage.

We maintain an amount of insurance protection that we consider adequate but we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. Certain types of insurance we carry (for example for loss of income on account of equipment unavailability) only cover us if the business interruption arising as a result of such unavailability lasts for a certain minimum period. Frequent ordinary course unavailability is not typically covered, and as a consequence we may not receive compensation for short term generation losses. Furthermore, our insurance coverage is subject to deductibles, caps, exclusions and other limitations. For example, although our insurance coverage is very comprehensive, it excludes risks such a gross negligence, fraud, nuclear incidents and war. Accordingly, any claims made under such insurance policies might not be successful or compensate us fully against all risks and losses that may arise, and the insurance coverage itself might not be sufficient to cover incurred losses.

Changes in technology may render our technologies obsolete or require us to make substantial capital investments. Failure to respond to technological changes effectively and timely may adversely affect our business and results of operations.

Although we attempt to maintain the latest international technology standards, the technology requirements for businesses in the wind and solar energy sectors are subject to continuing change and development. Some of our existing technologies and processes in the wind and solar energy business may become obsolete or perform less efficiently compared to newer and better technologies and processes.

The cost of upgrading or implementing new technologies, upgrading our existing equipment or expanding capacity could be significant and may adversely affect our results of operations if we are unable to pass on such costs to our customers. Failure to respond to technological changes effectively and timely may adversely affect our business and results of operations.

The Pro Forma Financial Information is not indicative of our future financial condition or results of operations.

The Pro Forma Financial Information has been prepared for illustrative purposes only. The Pro Forma Financial Information addresses a hypothetical situation and does not represent our actual consolidated financial condition or results of operations, and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Pro Forma Financial Information are based upon available information and assumptions that our management believes to be reasonable. If the assumptions underlying the preparation of the Pro Forma Financial Information do not occur, our actual financial results could be materially different from those indicated in the Pro Forma Financial Information. In addition, the Pro Forma Financial Information has not been prepared in accordance with the requirements of the U.S. Securities and Exchange Commission or U.S. GAAP or with generally accepted accounting principles in India. Accordingly, the degree of reliance placed by anyone on such pro forma information should be limited. In addition, the rules and regulations related to the preparation of unaudited pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in the unaudited pro forma financial information.

Fluctuations in foreign currency exchange rates may negatively affect our capital expenditures and could result in exchange losses.

Our functional currency is the Indian Rupee and our revenue and operating expenses are denominated primarily in Indian Rupees. However, some of our capital expenditures, particularly those for equipment imported from international suppliers, such as solar module panels, are denominated in foreign currencies, particularly the U.S. Dollar, and some of our other obligations, including our external commercial borrowings, are also denominated in U.S. Dollars. To the extent that we are unable to match revenue received in our functional currency with costs paid in foreign currencies, exchange rate fluctuations could adversely affect our profitability. Substantially all of our cash flows are generated in Indian Rupees and, therefore, significant changes in the value of the Indian Rupee relative to foreign currencies could adversely affect our financial condition. We expect our capital expenditures for our proposed expansion plans to include significant expenditure in foreign currencies for imported equipment and machinery.

While we have hedged our external commercial borrowings and our capital expenditure costs denominated in U.S. Dollars against foreign currency fluctuations, changes in exchange rates may still adversely affect our results of operations and financial condition. Any amounts we spend in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses we incur due to such fluctuations. We cannot assure you that we will be able to reduce our foreign currency risk exposure, through the hedging transactions we have already entered into or will enter into, in an effective manner, at reasonable costs, or at all.

We may not be able to adequately protect our intellectual property rights, including the use of the "ReNew" name and the associated logo, which could harm our competitiveness.

Our Company has applied for the trademark "ReNew" under various classes in India. We believe that the use of our name and logo is vital to our competitiveness and success and for us to attract and retain our clients and business partners. While we are in the process of registering our rights to the use of the "ReNew" name and the associated logo with the trademarks authorities in India, any improper use or infringement by any party could adversely affect our business, financial condition and results of operations. We cannot assure you that the measures we have taken will be sufficient to prevent any misappropriation of our intellectual property.

Enforcement of any intellectual property rights could be time consuming and costly. We may not be able to establish our rights to such intellectual property in the absence of relevant registrations and accordingly may not be able to take appropriate action or prevent the use of such name or logo by third parties. If the measures we take do not adequately safeguard our intellectual property rights, we could suffer losses due to competing offerings of services that exploit our name and logo. We may also be subject to claims for breach of intellectual property by third parties if we are unable to secure adequate protection in relation to our name and logo.

The Group and Restricted Group have in the past entered into a number of related party transactions and may continue to enter into related party transactions in the future, and there can be no assurance that the Group or Restricted Group could not have achieved more favorable terms if such transactions had not been entered into with related parties.

In the ordinary course of our business, the Group and Restricted Group have entered into transactions with related parties. For further details, see "*Related Party Transactions.*" There can be no assurance that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition and results of operations. Further, the transactions with our related parties may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favor.

Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

As at December 31, 2018, we had 748 full-time employees. Our Company has not had any instances of strikes or lock-outs since we commenced operations. However, we may experience disruptions in our operations due to disputes or other problems with our workforce, and efforts by our employees to modify compensation and other terms of employment may divert management's attention and increase operating expenses. From time to time, we also enter into contracts with independent contractors to complete specific assignments and these contractors are required to provide the labor necessary to complete such assignments. Although we do not engage these laborers directly, we may be held responsible for wage payments to laborers engaged by contractors should the contractors default on wage payments. The occurrence of such events could materially adversely affect our business, prospects, financial condition and results of operations.

We have relied on a third party industry report which have been used for industry related data in this offering memorandum and such data have not been independently verified by us.

We have relied on certain industry sources including the CRISIL Report for industry related data that has been disclosed in this offering memorandum. These reports use certain methodologies for market sizing and forecasting. We have not independently verified such data and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this offering memorandum in this context. Industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details, see "*Industry Overview*".

Risks Relating to the Financial Information and Projections of the Group and the Restricted Group

Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate.

This offering memorandum contains certain assumptions and projections with respect to the revenue, generating capacity and the associated costs of the operational projects held by the Restricted Group (collectively, the "RG Projects"). The Consultant ascertained the logic, assumptions and flow of data used in and evaluated the mathematical accuracy of the Company's EBITDA Projections model, which are as set forth in the Consultant's Report in light of the technical and operational parameters of each of the RG Projects, assumed wind and solar resources, contractual arrangements, the O&M budgets, tariff details, and the completion date of each of the projects in the Restricted Group and the related assumptions contained therein. The Consultant has also assumed that the contractual arrangements, including the PPAs, would not be terminated, prior to their termination date, and that there is no change in current regulations. In addition, the Consultant did not conduct any due diligence of information provided in the technical reports, did not check any land records, land agreements, rent agreements or property taxes and instead relied upon management's representation for all these expenses, did not review any historical data and did not explicitly evaluate the model logic and/or associated input assumptions below EBITDA including those calculations and assumptions related to taxes, interest, depreciation, financing structure and working capital. The Consultant also has not inspected historical data (except for reactive quantum for wind power projects) and has relied on management representations for certain historical information. These management representations were not subject to any independent diligence process and there may be discrepancies between the information given in these management representations and the information given elsewhere in this offering memorandum. After the issuance of the Notes, neither the Restricted Group nor the Consultant will provide the holders of the Notes with revised projections, or any report or analysis of any differences between the projections contained therein and actual results later achieved, and the Restricted Group expressly disclaims any duty to update the projections under any circumstances.

As noted above, the Consultant's Report contains financial projections, which are based on the Restricted Group's estimates of future financial performance. The Restricted Group's estimates of the future financial performance of the projects are based on the technical reports that were prepared by independent technical consultants. For the purposes of preparing the projections and such estimates, certain assumptions were made with respect to technical and performance parameters of each of the Restricted Group's wind or solar resources, material contingencies and other matters that are not within our, the Independent Consultant's or any other person's control and the outcome of which cannot be predicted, including operating performance, future capital expenditures, future O&M costs, future revenues, future changes in tariffs, the non-occurrence of force majeure or other similar events. Accordingly, the financial projections do not necessarily reflect future costs or cash flows. In addition, the underlying wind or solar technical reports reviewed and relied upon by the Consultant for purposes of preparing certain projections may not accurately reflect the current wind or solar radiation pattern. To the extent there are material differences between the wind or solar radiation patterns at the time of the underlying technical report and current patterns, this could materially change the actual results of operations.

The assumptions used for the projections are inherently subject to significant uncertainties and actual results could differ materially from those projected. These assumptions might not be correct, and the projections and estimates might not reflect actual results of operations. Therefore, no representations are made or intended nor should any be inferred, with respect to the accuracy of the projections or estimates. Moreover, even the Group's operational projects have a relatively short operating history. If actual results are materially less favorable than those shown or contained in the projections, or if the assumptions used in formulating the projections and estimates prove to be incorrect, then the Restricted Group's ability to make payments on the Notes may be materially impaired. See "*Risks Relating to the Group's Business – If environmental conditions at our wind and solar energy projects are unfavorable, our electricity production, and therefore our revenue from operations, may be substantially below expectations.*" See Appendix A, "*Consultant's Report*." Therefore, investors should not rely on the projections contained herein for the reasons mentioned above and otherwise. Our statutory auditors have not provided any assurance on the prospective financial information nor have performed any service with respect to it.

There is only limited historical financial information available for the projects in the Restricted Group.

The weighted average commercial operation dates for the Restricted Group's projects range only within the last seven years, with the earliest weighted average commercial operation date being in May 2012. The Restricted Group's historical financial information does not reflect its expected future financial condition, results of operations or cash flows. The limited historical financial information available with respect to the Restricted Group's projects may make it difficult to assess its financial position and operating results for the dates and periods presented in this offering memorandum, and such limited financial information is not indicative of the Restricted Group's future financial position or operating results.

The Restricted Group's special purpose combined financial statements do not reflect the results of any legal group.

The Restricted Group does not constitute a separate legal group of entities. The Restricted Group's combined financial statements were prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India. The Restricted Group's special purpose combined financial statements are, therefore, not necessarily indicative of the financial condition, results of operations or cash flows of the Restricted Group that would have occurred if it had operated as a legal group of entities during the periods presented.

The Company's equity shares are not listed and therefore not subject to the disclosure and corporate governance requirements that listed companies are subject to.

The Company is a public limited company and its shares are not traded on any stock exchange. Noteholders will not have the benefit of the disclosure and corporate governance requirements that are imposed on companies that are publicly listed in India, such as the constitution of an audit committee, the disclosure of financial information and certain material events to the stock exchanges, and the review and approval of related party transactions as well as review and monitor the performance of independent auditors by the audit committee comprising a majority of independent directors.

Risks Relating to India

We face uncertainty of title to our lands. If we are unable to identify or cure any defects or irregularities with respect to title to such lands, our business and operations may be adversely affected.

There is no central title registry for real property in India and the method of documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and are updated manually through physical records of all land related documents and may not be available online for inspection or updated in a timely manner. This could result in investigations into property records taking a significant amount of time or being inaccurate in certain respects, which may impact the ability to rely on them. Land records are often handwritten, in local languages and not legible, which makes it difficult to ascertain the content. In addition, land records are often in poor condition and are at times untraceable, which materially impedes the title investigation process. In certain instances, there may be a discrepancy between the extent of the areas stated in the land records and the areas stated in the title deeds, and the actual physical area of some of lands on which the projects are constructed or proposed to be constructed. Further, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of, can affect the title to a property. Any misrepresentation with respect to title by third parties from whom we purchase land may render such land liable to confiscation and action by other parties who may claim ownership of such land. As a result, potential disputes or claims over title to the land on which the projects are developed or used for operations or will be constructed may arise.

Further, the GoI has amended the Prohibition of Benami Property Transactions Act, 1988 ("BTP Act") in October 2016. Pursuant to these amendments, any land, the title of which is registered in the name of a third party who is not the actual owner of the property, is liable to confiscation by the GoI without payment of any compensation. Further, transfers from any such third party to the actual owner are now prohibited, and any such transfer may be declared null and void.

Further, legislation relating to land ceilings, consolidation, fragmentation, holding of lands and land use may also be applicable to our projects. While we apply for the necessary approvals for purchase of land, including for the conversion of land from agricultural to non-agricultural use and for the purchase of land in excess of limits prescribed under the relevant legislation, there can be no assurance that we will be granted such approvals in a timely manner or at all. We may also be exposed to additional risks, if we acquire land from third parties, who are, in turn, in breach of such land ceiling requirements. Further, we may be required to commence construction or operation of our projects pending receipt of such approvals to ensure compliance with our contractual schedules, including under our PPAs.

While we carry out due diligence before acquiring land in connection with any project, all risks, onerous obligations and liabilities associated with the land for each project may not be fully assessed or identified, which could include the nature of faulty or disputed title, unregistered encumbrances, adverse possession rights, claims by third parties or potential expropriation by the GoI pursuant to the BTP Act. For instance, certain individual parties have initiated proceedings challenging the title of certain parcels of the respective project lands of two of the Co-Issuers. Please see "*Business – Legal Proceedings.*" Although, the land parcels under dispute constitute a small percentage of the entire land allocated to the relevant project, any adverse order or finding of the courts in these proceedings may expose us to project stoppages, legal disputes and financial liabilities which may affect our business and financial condition.

Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may adversely affect the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during 2008 and 2009 adversely affected market prices in the global securities markets, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business and financial performance.

Any other global economic developments or the perception that any of them could occur may adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations.

The Group's ability to raise foreign capital may be constrained by Indian law.

The Group is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit the Group's financing sources and hence could constrain the Group's ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, the Group cannot assure you that the required approvals will be granted to the Group without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse impact on the Group's business growth, financial condition, results of operations and cash flows.

A significant change in the GoI's economic liberalization and deregulation policies could impact economic conditions in India generally and the Group's business and financial results and prospects in particular.

Since 1991, successive GoIs have pursued policies of economic liberalization and financial sector reforms, including significant relaxations of restrictions on the private sector. Nevertheless, GoI continues to exercise a dominant influence over many aspects of the economy, and its economic policies have had and continue to have a significant effect on private-sector entities, including us.

India has a mixed economy with a large public sector and an extensively regulated private sector. The role of GoI and the state governments in the Indian economy and the effect on producers, consumers, service providers and regulators have remained significant over the years. The GoI has in the past, among other things, imposed controls on the prices of a broad range of goods and services, restricted the ability of businesses to expand existing capacity and reduce the number of their employees, determined the allocation to businesses of raw materials and foreign exchange and reversed their policies of economic liberalization. The Group may not be able to react to such changes promptly or in a cost-effective manner. Increased regulation or changes in existing regulations may require the Group to change its business policies and practices and may increase the cost of providing services to the Group's customers which would have an adverse effect on the Group's operations and its financial condition and results of operations.

Although the current GoI has continued India's economic liberalization and deregulation programs, there can be no assurances that these liberalization policies will continue in the future. Significant changes in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India in general as well as the Group's business and its future financial performance.

An economic downturn in India could cause our business to suffer.

Slowdown in the growth of the Indian economy could adversely affect our business and our lenders and contractual counterparties, especially if such a slowdown were to be prolonged. The growth rate of India's GDP was 7.9%, 7.1% and 6.7% during fiscal years 2016, 2017 and 2018, respectively. For more details, see "*Industry Overview.*" The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be adversely affected by such economic slowdown. Notwithstanding the RBI's policy initiatives, the course of market interest rates continues to be uncertain due to the high inflation, the increase in the fiscal deficit and the GoI's borrowing program. Any continued or future inflation because of increases in prices of commodities such as crude oil or otherwise, may result in a tightening of monetary policy and could materially and adversely affect our business, financial condition and results of operations. Any increase in interest rates or reduction in liquidity could adversely impact our business.

Natural and catastrophic events may reduce energy production below our expectations.

A natural disaster, severe weather conditions or an accident that damages or otherwise adversely affects any of our operations could materially and adversely affect our business, financial condition and results of operations. Severe flooding, lightning strikes, earthquakes, extreme wind conditions, severe storms, wildfires, and other unfavorable weather conditions (including those from climate change) or natural disasters could damage our property and assets or require us to shut down our turbines, solar panels or related equipment and facilities, impeding our ability to maintain and operate our projects and decreasing electricity production levels and revenues from operations.

In addition, catastrophic events such as explosions, terrorist acts or other similar occurrences could result in similar consequences or in personal injury, loss of life, environmental danger or severe damage to or destruction of the projects or suspension of operations, in each case, adversely affecting our ability to maintain and operate the projects and decreasing electricity production levels and revenues from operations. Any of these events could adversely affect our business, financial condition, results of operations and prospects.

Terrorist attacks, civil disturbances and regional conflicts in South Asia may adversely affect our business.

India has, from time to time, experienced social and civil unrest within the country and hostilities with neighboring countries. These hostilities and tensions could lead to political or economic instability in India and adversely affect our business and financial performance. Such situations could recur or be more intense than in the past. Terrorist attacks and other acts of violence or war may adversely affect global markets and economic growth. These acts may also result in a loss of business confidence, make travel and other services more difficult and have other consequences that could adversely affect our business, results of operations and financial condition. Such violence may adversely impact the Indian and worldwide financial markets. In addition, any deterioration in international relations may result in investor concern regarding regional stability which could adversely affect the value of the Notes. India has witnessed localized terrorist attacks recently, including the terrorist attacks in Mumbai in 2008 and 2011, in New Delhi in 2011, in Pathankot and Uri in 2016 and Pulwama in 2019. Such incidents could also create an increased perception that investment in Indian companies involves a higher degree of risk and could adversely impact our business, financial condition, results of operations and prospects.

Any downgrading of India's sovereign debt rating by an international rating agency could negatively impact our business and results of operations.

India's sovereign rating is Baa2 with a "stable" outlook (Moody's), BBB-with a "stable" outlook (S&P) and BBB-with a "stable" outlook (Fitch). Any adverse revisions to India's credit ratings by international rating agencies may adversely affect our ratings, terms on which we are able to finance capital expenditure or refinance any existing indebtedness. This could adversely affect our business, financial condition, results of operations and prospects.

Investors may not be able to enforce a judgment of a foreign court against the Company, certain of the Group's directors, or its key management, except by way of a suit in India on such judgment.

All of the Group's operating subsidiaries are incorporated under the laws of India. Substantially all of our directors and key management personnel are residents of India and all of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon such persons outside India, or to enforce judgments obtained against such parties outside India. In India, recognition and enforcement of foreign judgments are provided for under Section 13 and Section 44A of the Civil Code on a statutory basis. Section 13 of the Civil Code provides that a foreign judgment to which this section applies shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on record.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India, which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards. Further, the execution of a foreign decree under Section 44A of the Civil Code is also subject to the exceptions under Section 13 of the Civil Code.

The United Kingdom, Singapore and Hong Kong (among others) have been declared by the GoI to be reciprocating territories for the purposes of Section 44A. However, the United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Accordingly, a judgment of a court in a country which is not a reciprocating territory may be enforced in India only by a fresh proceeding suit instituted in a court of India and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed in India to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court would, if an action were brought in India. Further, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with Indian public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such judgment and such amount may be subject to income tax in accordance with applicable laws.

In addition, any judgment awarding damages in a foreign currency would be converted into Indian Rupees on the date of the judgment and not the date of payment. The Group cannot predict whether a suit brought instituted in an Indian court will be disposed of in a timely manner or be subject to considerable delay.

A decline in India's foreign exchange reserves may adversely affect liquidity and interest rates in the Indian economy.

According to the weekly statistical supplement of the RBI Bulletin, India's foreign exchange reserves totaled US$393,404 million as at December 28, 2018. A sharp decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy. Reduced liquidity or an increase in interest rates in the economy following a decline in foreign exchange reserves could have a material adverse effect on the Group's financial performance and ability to obtain financing to fund the Group's growth on favorable terms or at all.

Changes in the taxation system in India could adversely affect the Group's business.

The operations, profitability and cash flows of the Company and the Restricted Group could be adversely affected by any unfavorable changes in central and state-level statutory and/or regulatory requirements in connection with direct and indirect taxes and duties, including income tax, goods and service tax ("GST"), and/or by any unfavorable interpretation taken by the relevant taxation authorities and/or courts and tribunals. If such amendments are brought about in the statutory laws relating to income tax and/or GST, the Group's repossessed assets could be considered to be subject to additional taxes, which could adversely affect the Company's and the Restricted Group's operations, profitability and cash flows.

Further, the GoI has implemented two major reforms in Indian tax laws, namely the goods and services tax, and provisions relating to general anti-avoidance rules ("GAAR").

The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. The GST regime is at a nascent stage and the law relating to GST is undergoing frequent amendments. A recent example of such an amendment relates to the supply of renewable energy devices along with service of construction for solar power plant and wind operated electricity generators, and provides for presumptive taxation of 30% of the gross value as deemed value of services attracting higher GST rate of 18%. Such changes in law and rate clarifications may impact the Company's and the Restricted Group's operations, profitability and cash flows.

GAAR provisions have come into effect from April 1, 2017. The GAAR provisions are intended to catch arrangements declared as "impermissible avoidance arrangements." An impermissible avoidance arrangement has been defined under the Income Tax Act, 1961 as any arrangement, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee. If GAAR provisions are invoked, then the tax authorities have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty. As the GAAR provisions have been introduced very recently, the consequential effects on the Group cannot be determined yet and there can be no assurance that such effects would not adversely affect the Group's business, future financial performance and the trading price of the Notes.

The Insolvency and Bankruptcy Code in India may adversely affect our ability to pay back creditors.

The Insolvency and Bankruptcy Code, 2016 (the "Bankruptcy Code") provides for reorganization and insolvency resolution of corporate persons. The Bankruptcy Code offers a uniform, comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial service providers). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates an institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms that facilitate a formal and time-bound insolvency resolution and liquidation process. The Bankruptcy Code enables a creditor to file a corporate insolvency and resolution petition ("CIRP") against the debtor, including on default in payment of debt by the debtor. Further, in the event the CIRP is admitted by the National Company Law Tribunal against the debtor, the moratorium provisions under the Bankruptcy Code prohibits, among other things, the creation of encumbrances, disposing of assets of the debtor, any action to enforce the security interest of the debtor and the institution or continuation of legal proceedings against the debtor. If the Bankruptcy Code provisions are invoked against us, it may adversely affect our ability to pay back creditors and enforcement of creditor rights will be subject to the Bankruptcy Code.

Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, financial condition, results of operations and cash flows.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

We have not determined the impact of these proposed changes on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our business currently or in the future.

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us. There can be no assurance that the GoI or any state government in India will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on their operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, prospects, financial condition and results of operations and cash flows.

For instance, the governments of India and different states have enacted regulations for forecasting and scheduling of all forms of renewable energy. Such regulations apply to all renewable projects commissioned and connected to the grid. The regulations require us to submit a schedule of electricity generation. If we fail to adhere to these regulations, we may be exposed to penalties, which could have a material adverse effect on our business, prospects, financial condition and results of operations and cash flows.

Risks Relating to the Notes, the Guarantees and the Collateral

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this offering memorandum;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes, which are complex financial instruments, unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes may be issued with original issue discount for U.S. federal income tax purposes.

The Notes may be issued with original issue discount ("OID") for U.S. federal income tax purposes. If the Notes are issued with OID for U.S. federal income tax purposes, U.S. investors will generally be required to include amounts representing OID in their gross income as it accrues in advance of the receipt of cash payments attributable to such income using the constant yield method. See "*Taxation – Certain United States Federal Income Tax Considerations to U.S. Holders – Original Issue Discount.*"

The interests of the Co-Issuers' principal shareholder may conflict with investors' interests.

The Co-Issuers' principal shareholder's interest may in certain circumstances conflict with investors' interests as Holders and may have the consequence of increasing the financial risk of holding the Notes. For example, the Co-Issuers' principal shareholder could cause them to incur additional indebtedness as permitted under the indenture. Incurring additional indebtedness would increase the Restricted Group's debt service obligations, which could materially adversely affect the value of investors' investment in the Notes.

Only the Co-Issuers will be subject to the restrictive provisions contained in the Indenture, including restrictions on the incurrence of indebtedness.

Only the Co-Issuers will be subject to the restrictive covenants under the Indenture. See "Description of the Notes – Certain Covenants". For the nine months period ended December 31, 2018, the EBITDA and total income of the Restricted Group accounted for 14% and 13% of the Group's EBITDA and total income, respectively.

The Parent Guarantor and its other subsidiaries will not be subject to the restrictive provisions of the Indenture. There will be no limitation in the Indenture on the amount of indebtedness which the Parent Guarantor or these other subsidiaries may incur in the future. In addition, the Parent Guarantor may give guarantees and provide credit support for its subsidiaries which are not part of the Restricted Group.

The Restricted Group, on a combined basis, has a substantial amount of debt, which could have a material adverse effect on the Restricted Group's business, financial condition and results of operations.

As of December 31, 2018, on a combined basis, the Restricted Group had Rs.34,641 million of indebtedness. See "Capitalization" for the combined capitalization of the Restricted Group as of December 31, 2018 on an actual basis and as adjusted to give effect to the issuance of the Notes by the Restricted Group. The Restricted Group's high level of indebtedness could have important consequences and significant adverse effects on the Restricted Group's business, including the following:

- the applicable Co-Issuer's and members of the Restricted Group's, in their capacity as Guarantors, ability to satisfy their obligations under the Notes and the Guarantees, respectively, and other debt, may be limited;

- the Restricted Group's vulnerability to adverse general economic and industry conditions may be increased;

- the Restricted Group may be required to use a substantial portion of its cash flow from operations to pay interest on its indebtedness, which will reduce the funds available to it for operations and other purposes;

- the Restricted Group's ability to obtain additional financing for working capital, capital expenditures or general corporate purposes may be restricted;

- the Restricted Group's high level of indebtedness could place it at a competitive disadvantage compared to its competitors that may have proportionately less debt;

- the Restricted Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates may be limited;

- the Restricted Group's high level of indebtedness could limit, along with the financial and other restrictive covenants of its indebtedness, its ability to borrow additional funds; and

- increase the cost of additional financing.

The Co-Issuers cannot assure investors that these factors will not have a material adverse effect on the Restricted Group's ability to operate their respective businesses in future periods.

Security over the Collateral will not be granted directly to the Holders.

Security over the Collateral for the obligations of the Co-Issuers under the Notes and the Indenture will not be granted directly to the Holders but will be granted only in favor of the Security Trustee. As a consequence, Holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the Notes, except through the Security Trustee.

The value of the Collateral may not be sufficient to repay the Notes in full.

The Notes will be secured by the Collateral as described in "Description of the Notes – Security – Collateral". Any Collateral created by a Co-Issuer will only secure the Notes issued by such Co-Issuer (to the extent of its obligations as a primary obligor and not a guarantor) and will not secure any of its obligations under any Guarantee issued by such Co-Issuer. The value of the Collateral in the event of liquidation will depend on many factors. In particular, the capital stock of the applicable Co-Issuer pledged to secure the Notes (to the extent of its obligations as a primary obligor and not a guarantor) (the "Pledge Collateral") only has value to the extent that the assets of the applicable Co-Issuer are worth more than its liabilities (and, in a bankruptcy or liquidation of the applicable Co-Issuer, will only receive value after payment upon all such liabilities).

By its nature, the Pledge Collateral may be illiquid and may have no readily ascertainable market value.

Further, the security over the Collateral is being created in favor of the Holders on a pari passu basis and will be shared with the existing creditors of the Co-Issuers, the hedge counterparties and any Person extending Permitted Pari Passu Secured Indebtedness.

In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, or enforcement of the security created over the Collateral, each of the Co-Issuers cannot assure investors that the proceeds from any sale or liquidation of the applicable Collateral will be sufficient to pay the applicable Co-Issuer's obligations under the Notes issued by it (to the extent of its obligations as a primary obligor and not a guarantor). Any claim for the difference between the amount, if any, realized by Holders from the sale of Collateral securing the Notes and the obligations under the Notes will rank equally in right of payment with all of the applicable Co-Issuer's other unsecured senior debt and unsubordinated obligations.

The Notes and the Guarantees will be effectively subordinated to any other secured obligations of the Co-Issuers, the Parent Guarantor and the Guarantors to the extent of the assets (other than the Collateral) serving as security for such obligations.

Except with respect to the security created in respect of the Collateral, the Notes and the Guarantees will constitute unsubordinated obligations of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively, and will rank pari passu in right of payment with all other existing and future unsubordinated indebtedness of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively, and senior in right of payment to all subordinated indebtedness of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively, if any. Except with respect to the security provided in respect of the Collateral, the Notes and the Guarantees will be issued as a general obligation of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively. However, the Notes and the Guarantees will be effectively subordinated to any other secured obligations of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively, to the extent of the assets (other than the Collateral) serving as security for such secured obligations. In bankruptcy, the holder of a security interest with respect to any assets of the applicable Co-Issuer, the Parent Guarantor or any Guarantor, respectively, would be entitled to have the proceeds of such assets applied to the payment of such holder's claim before the remaining proceeds, if any, are applied to the claims of the Holders.

The Holders will not have any direct recourse to the existing lenders of the Co-Issuers.

The Security Trustee (acting on behalf of and for the benefit of the Trustee and the Holders, and the hedge counterparties), the existing lenders of the Co-Issuers and the existing security trustee (acting on behalf of the existing lenders of the Co-Issuers), among others, propose to execute Trust and Retention Account Agreements which will, among other things, provide for sharing of cash flows of the Co-Issuers among the senior secured creditors of the Co-Issuers (including the Holders). A description of the Trust and Retention Account Agreement is provided in "*Description of the Notes–Security–Trust and Retention Account Agreement*". Further, the existing lenders of the Co-Issuers, the hedge counterparties and the Security Trustee (acting on behalf of and for the benefit of the Trustee and the Holders), among others, propose to execute Security Sharing Agreements which will, among other things, provide for sharing of proceeds among the senior secured creditors of the Co-Issuers on enforcement of the Collateral. A description of the Security Sharing Agreement is provided in "*Description of the Notes–Security–Security Sharing Agreement*". The Holders and the Trustee are not a signatory to these agreements and the rights under these agreements will not be granted directly to the Holders but will be granted only in favor of the Security Trustee. As a consequence, Holders will not have direct recourse and will not be entitled to take any action in respect of any breach of the obligations under these agreements, except through the Security Trustee.

The enforcement of the security interest over the Collateral may not be solely at the discretion of the Holders, may be adverse to the interest of the non-consenting Holders.

The security over the Collateral is being created in favor of the Holders on a pari passu basis and will be shared with the existing creditors of the Co-Issuers and the hedge counterparties and any Person extending Permitted Pari Passu Secured Indebtedness. Each of the creditors (including the Holders, hedge counterparties and any Person extending Permitted Pari Passu Secured Indebtedness) which have the benefit of the security over the Collateral will have a right to enforce such security as per the terms of the underlying financing documents. Further, in addition to the Holders, the existing creditors of the Co-Issuers and the hedge counterparties and any Person extending Permitted Pari Passu Secured Indebtedness will also have rights under the underlying financing documents and hedging agreements (as applicable) to give instructions to the security trustee acting on their behalf (which may, in certain cases, be the same entity as the Security Trustee) in relation to the Collateral. Although, such senior secured creditors of the Co-Issuers propose to execute Security Sharing Agreements, to coordinate their actions in case of enforcement of security over the Collateral, each creditor may still be able to direct the security trustee to enforce the security over the Collateral (independent of the action proposed by the other creditors of the Co-Issuers). The Security Trustee may be acting in multiple capacities, including as security trustee for the existing rupee lenders of the Co-Issuers and the hedge counterparties, and will be required to act in accordance with the directions given by such creditors as per the underlying finance documents. Therefore, the other creditors of the Co-Issuers have the ability to the enforce the security over the Collateral, even if the Holders do not consent to such action. In such an event, the Holders shall be entitled to the proceeds of the enforcement of security over the Collateral in accordance with the Security Sharing Agreements. A description of the Security Sharing Agreement is provided in "*Description of the Notes–Security–Security Sharing Agreement*".

Further, the Security Trustee is required to take action to enforce the security interest over the Collateral in accordance with the instructions of the Trustee given under and in accordance with the Indenture. The ability of the Trustee (on instructions of the Holders) to enforce the security is restricted under the Indenture. If an Event of Default occurs under the Notes, the Holders holding at least 25% of the outstanding amount of the Notes may decide whether to take any enforcement action and may thereafter, through the Trustee in accordance with the Indenture, instruct the Security Trustee to take enforcement action against the security. By virtue of the instructions given to the Security Trustee described above, actions may be taken in respect of the security that may be adverse to other Holders who did not vote in favor of enforcement. In such event, the only remedy available to the Holders would be to sue for payment under the Notes.

The Co-Issuers may be able to incur more debt which may increase the Restricted Group's debt leverage risk and could adversely affect the Holders.

Subject to the restrictions in the Indenture, the Co-Issuers may be able to incur additional debt in the future. Certain types of indebtedness permitted under the Indenture may rank equally in right of payment with the Notes and may share the security created for the benefit of the Holders, and could result in less cash available to make payments on the Notes. To the extent new debt is added to the Restricted Group's current debt levels, the Restricted Group's leverage related risks, including the applicable Co-Issuer's possible inability to fulfill its payment obligation under the Notes issued by it, would increase.

The failure of the Restricted Group to properly (or to take all commercially reasonable steps to) create, perfect and register the security interests in the Collateral securing the Notes could result in an event of default under the Notes, and could impair the ability of the Holders to seek repayment.

Under the "Description of the Notes," each of the Co-Issuers will be obligated to create, perfect and register the applicable Collateral, or to take all commercially reasonable steps to create, perfect and register the applicable Collateral securing the Notes no later than the respective time periods described in Appendix A to the "Description of the Notes". The creation, perfection and registration of the Collateral will be subject to various consents, approvals and authorizations from governmental authorities, third parties who are counterparties to project documents and existing lenders and such consents, approvals or authorizations may not be forthcoming. Accordingly, the Collateral Documents to be executed in relation to the Notes are proposed to be entered into or commercially reasonable steps are to be taken for the execution of such Collateral Documents no later than the respective time periods described in Appendix A to the "Description of the Notes". Until the Collateral Documents are entered into the Notes will be unsecured. Further, in certain cases the existing lenders of the Co-Issuers, may already have the benefit of security created over the Collateral as of the issue date of the Notes. If any of the Co-Issuers fails to take commercially reasonable steps to or fails to create, perfect and register the applicable Collateral in the form and manner as described in Appendix A to the "Description of the Notes" and within the specified time period, an Event of Default will occur under the "Description of the Notes" and the Trustee could accelerate the Notes and the Security Trustee could enforce the security interest over any Collateral for which a security interest has been perfected, pursuant to such acceleration. In such circumstances, the applicable Co-Issuer may not have sufficient resources to repay the Notes and/or service its obligations under its Guarantee, in full or at all. Moreover, any claim of the Security Trustee in a bankruptcy or similar proceeding would be unsecured to the extent that the applicable Co-Issuer has failed to create, perfect and register any Collateral securing the Notes, which could limit any recovery the Holders receive in any such proceeding. As of December 31, 2018, the Restricted Group had an aggregate of Rs.28,544 million ofsecured indebtedness (long-term borrowings, short-term borrowings and current maturities of long-term borrowings). To the extent that any of this secured indebtedness remains outstanding after the issue date of the Notes, the creditors of such secured indebtedness will be effectively senior to the obligations due under the Notes, until security over the Notes is created.

Further, the Notes constitute direct, unconditional and unsubordinated obligations of the respective Co-Issuers in relation to the Notes issued by it, which will, within the respective time periods described in Appendix A to the "Description of the Notes", be secured pursuant to the Collateral Documents. The Notes will be effectively subordinated to any other secured indebtedness of the Co-Issuers which ranks pari passu with the Notes, to the extent of the value of the assets over which the Holders do not have security, securing that other indebtedness. In the event of a bankruptcy, liquidation, reorganization or other winding up of any of the Co-Issuers, such Co-Issuer's assets that secure its senior secured indebtedness will be available to pay obligations on the Notes only after all senior secured indebtedness, together with accrued interest, has been repaid. If any of the Co-Issuers is unable to repay its secured indebtedness, the lenders could foreclose on substantially all of its assets which serve as collateral. In this event, the senior secured lenders would be entitled to be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including the Holders. The Holders will participate in the proceeds of the liquidation of the remaining assets of such Co-Issuer, ratably with holders of its secured indebtedness that is deemed to be of the same class as the Notes.

Failure of the Co-Issuers to prepay certain existing lenders may result in a breach under the terms of the existing indebtedness of such Co-Issuer.

The terms of the existing debt documentation of ReNew Solar Energy prohibit it from incurring new debt. As a result, in order to incur new debt, including the Notes and any unsecured subordinated shareholder loans (which will be utilized for repayment of such existing debt), and taking certain related actions (including but not limited to prepaying indebtedness of such Co-Issuer, opening bank accounts, amending constitutional documents, issuing guarantees and creating security) in connection with the incurrence of the Notes or any unsecured subordinated shareholder loans, prior consents from the lenders of such existing indebtedness are required. While ReNew Solar Energy has obtained certain consents from YES Bank Limited, in relation to the other lenders, namely State Bank of India and Punjab and Sind Bank, this Co-Issuer proposes to prepay such lenders as permitted under the existing facilities and has sent a notice of prepayment to such lenders, to prepay such existing indebtedness using certain unsecured subordinated shareholder loans to be availed by such Co-Issuer, the cash flows of such Co-Issuer, or such other forms as may be permitted under the existing facilities. ReNew Solar Energy proposes to prepay such lenders; however, till such time that such lenders are prepaid, incurrence of unsecured subordinated shareholder loans and issuance of Notes (and taking certain other related actions) would result in a breach of the obligations of this Co-Issuer under the existing loans availed by this Co-Issuer from such lenders (it is clarified that such breach would not result in an event of default under the existing facility and would not cause a default under the Notes). Further, if such Co-Issuer is unable to prepay the loans provided by such lenders for any reason and such breach is not cured or waived within 30 days, it may result in an event of default under the existing indebtedness of such Co-Issuer, triggering a default under the Notes.

In addition, the proceeds of the Notes incurred by certain Co-Issuers may be utilized to make payments on account of the import or purchase of capital goods. Pursuant to such payments, the letters of credit issued or trade credits extended by the existing lenders of such Co-Issuers will be released and the existing hedging facilities availed by the Co-Issuers will be unwound. Some of the Co-Issuers require consent from such existing lenders of trade credits or letter of credits to issue the Notes and avail the Hedging Facilities and/or to take certain actions in connection with the incurrence of such debt. Since, such trade credits, letters of credit and hedging facilities will be unwound on completion of the payments on account of the import or purchase of capital goods by the Co-Issuer, they might not apply for or obtain such consents from existing lenders or existing hedging counterparties.

The enforceability of the security granted for the benefit of the holder of the Notes will be subject to Indian law.

The Notes issued by the Co-Issuers are intended to have the benefit of security over certain assets of the Co-Issuers. Third party consents, including consents from governmental and regulatory authorities, may be required for creation of such security, and the process for obtaining such consents and creating and perfecting security could take a significant amount of time from the issue date of the Notes, and the Notes will not have the benefit of such security during such time.

In addition, if the Security Trustee were to foreclose upon its assets, there are certain project assets that the Security Trustee may not be able to effectively foreclose upon without the consent of third parties, such as governmental authorities. The Co-Issuers cannot assure investors that if upon such foreclosure, the Security Trustee will be able to obtain all of the third-party approvals necessary to obtain or transfer ownership of all assets necessary to operate the projects. Furthermore, if the Security Trustee forecloses on the security, then, in connection therewith, transferring required permits to a purchaser or new operator of the projects may require additional governmental approvals or proceedings, which could result in delays. Accordingly, there may not be sufficient proceeds from the security to pay all or any of the amounts due on the Notes.

The ability of the Co-Issuers to generate cash depends on many factors, and they may not be able to generate sufficient cash required to service the Notes.

If the Co-Issuers cannot generate sufficient cash to meet their respective debt service obligations or fund their other business needs, they may, among other things, need to refinance all or a portion of their debt, including the Notes, obtain additional financing, delay capital expenditures or sell assets. The Co-Issuers cannot assure you that they will be able to generate sufficient cash through any of the foregoing. If the Co-Issuers are not able to refinance any of their debt, obtain additional financing or sell assets on commercially favorable terms or at all, they may not be able to satisfy their obligations with respect to their debt, including the respective Notes. If this were to occur, holders of the relevant debt would be able to declare the full amount of such debt due and payable. The assets of the applicable Co-Issuer may not be sufficient to pay such amounts.

The Co-Issuers may not have sufficient funds to pay the Additional Amounts.

Under the Indenture, the Co-Issuers have the obligation to pay Additional Amounts under certain circumstances, but there is no assurance that the Co-Issuers will have adequate funds to pay such Additional Amounts.

The Guarantee provided by the Parent Guarantor may be released.

The Guarantee provided by the Parent Guarantor will automatically be released at any time on or after the date when the audited consolidated financial statements of the Parent Guarantor for the year ending March 31, 2020 become available if, after giving pro forma effect to the Incurrence of US$1.00 of additional Indebtedness (as if such Indebtedness had been Incurred at the beginning of the applicable Reference Period), the Combined Leverage Ratio would not exceed 5.5 to 1.0.

The redemption of the Notes prior to maturity may adversely affect investors return on the Notes.

The Co-Issuers have the right to redeem some or all of the Notes prior to maturity as described under "Description of the Notes – Optional Redemptions." The Co-Issuers may redeem the Notes at times when prevailing interest rates may be relatively low. Accordingly, investors may not be able to reinvest the redemption proceeds in a comparable security and issuer at an effective rate as high as that of the Notes.

If any of the Co-Issuers is unable to comply with the restrictions and covenants of the Indenture, the Notes, other existing debt agreements, or any debt agreements the applicable Co-Issuer enters into in the future, there could be a default under the terms of the Indenture, the Notes, other existing debt agreement or such future debt agreements, which could cause repayment of its debt to be accelerated.

In the event of a default under these agreements, the holders of the debt could accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. As a result, the Co-Issuer's default under one debt agreement may cause the acceleration of repayment of not only such debt but also result in a default under the Indenture. If any of these events occur, the applicable Co-Issuer cannot assure investors that its assets and cash flow would be sufficient to repay in full all of its indebtedness, or that it would be able to find alternative financing. Even if the applicable Co-Issuer could obtain alternative financing, it cannot assure investors that it would be on terms that are favorable or acceptable to it.

The Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Guarantees.

Under bankruptcy laws, fraudulent transfer laws, insolvency or unfair preference or similar laws in India, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by, or when it gives, its guarantee:

- incurred the debt with the intent to hinder, delay or defraud creditors or was influenced by a desire to put the beneficiary of the guarantee in a position which, in the event of the guarantor's insolvency, would be better than the position the beneficiary would have been in had the guarantee not been given;

- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee;

- was insolvent or rendered insolvent by reason of the incurrence of such guarantee;

- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or

- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, a guarantee may be subject to review under applicable insolvency or fraudulent transfer laws in certain jurisdictions or subject to a lawsuit by or on behalf of creditors of the guarantor. In such case, the analysis set forth above would generally apply, except that the guarantee could also be subject to the claim that, since the guarantee was not incurred for the benefit of the guarantor, the obligations of the guarantor thereunder were incurred for less than reasonably equivalent value or fair consideration.

In an attempt to limit the applicability of insolvency and fraudulent transfer laws in certain jurisdictions, the obligations of the Parent Guarantor and the Guarantors under the Guarantees will be limited to the maximum amount that can be guaranteed by the Parent Guarantor or the applicable Guarantor without rendering the guarantee, as it relates to the Parent Guarantor or the applicable Guarantor, voidable under such applicable insolvency or fraudulent transfer laws. If a court voids a Guarantee, subordinates such guarantee to other indebtedness of the Parent Guarantor or the applicable Guarantor, or holds the Guarantee unenforceable for any other reason, Holders would cease to have a claim against the Parent Guarantor or the applicable Guarantor based upon such guarantee, would be subject to the prior payment of all liabilities (including trade payables) of the Parent Guarantor or the applicable Guarantor, and would solely be creditors of the applicable Co-Issuer and the Parent Guarantor or any Guarantors whose guarantees have not been voided or held unenforceable. The Co-Issuers cannot assure investors that, in such an event, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the Holders.

Enforcing the rights of Holders under the Notes and/or the Collateral Documents across multiple jurisdictions and enforcing foreign court judgments on the Co-Issuers in India may prove difficult.

The Notes will be issued and secured by the Co-Issuers. The Co-Issuers are all incorporated in India. The Notes and the Indenture will be governed by New York law. The Collateral Documents will be governed by Indian law. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in New York and India. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of an investor's rights. The rights of Holders under the Notes and the Collateral Documents will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that investors will be able to effectively enforce their rights in such complex multiple bankruptcy, insolvency or similar proceedings. In addition, the bankruptcy, insolvency, administrative and other laws of India may be materially different from, or be in conflict with, those with which Holders may be familiar, including in the areas of the rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply, adversely affect investors' ability to enforce their rights under the Notes and the Collateral Documents in the relevant jurisdictions or limit any amounts that they may receive.

Enforcement of security usually takes an inordinately long period of time in India and enforcement may be subject to delays and administrative requirements. The claims and remedies available under Indian law may not be as extensive as those available in other jurisdictions. While any judgment will be made under prevailing Indian laws and regulations, no assurance can be given that the Indian courts will protect the interests of Holders in the same manner or to the same extent as would courts in other countries. As a result, it may be difficult for investors to effect service of process, including judgments, on any of the Co-Issuers or its officers and directors, or to enforce judgments obtained in non-Indian courts against any of the Co-Issuers or its officers and directors in India.

Restrictions imposed by the Indenture governing the Notes and the agreements governing the Co-Issuers' future borrowings may contain various covenants that limit their ability to take certain action.

The Indenture governing the Notes and any future debt agreements of the Co-Issuers may contain covenants imposing operating and financial restrictions on the Co-Issuers' business that limits their flexibility. For example, the Indenture restricts the Co-Issuers' ability to, among other things:

- borrow money;
- pay dividends or make other distributions;
- incur liens;
- make certain asset dispositions;
- make certain loans or investments;
- issue certain guarantees;
- enter into transactions with affiliates;
- merge, consolidate, or sell, lease or transfer all or substantially all of any of the Co-Issuer's assets; and
- redeem, dispose of or amend Notes.

The Co-Issuers cannot assure investors that the operating and financial restrictions and covenants in these agreements will not adversely affect their ability to finance their future operations or capital needs, or engage in other business activities that may be in their interest, or react to adverse market developments. These restrictions also may interfere with the Co-Issuers' ability to make payments on the Notes.

The Co-Issuers may be unable to redeem the Notes as required upon a Change of Control Triggering Event.

If a Change of Control Triggering Event occurs, then the Co-Issuers will be required to make an offer to redeem all outstanding Notes at a redemption price of 101.0% of their principal amount, plus accrued and unpaid interest, if any, to the applicable date of redemption. See "Description of the Notes – Repurchase of Notes Upon a Change of Control Triggering Event." However, the Co-Issuers may be unable to do so because they might not have enough available funds at the time of any Change of Control Triggering Event to pay the redemption price of the tendered outstanding Notes. In addition, any future indebtedness of the Co-Issuers may limit their ability to redeem the Notes upon a Change of Control Triggering Event.

In addition, the definition of Change of Control for purposes of the Indenture does not necessarily afford protection for the Holders in the event of some highly-leveraged transactions, including certain acquisitions, mergers, refinancing, restructuring or other recapitalization, although these types of transactions could increase the Co-Issuers' indebtedness or otherwise affect the Co-Issuers' capital structure or credit ratings. The definition of Change of Control for purposes of the Indenture also includes a phrase relating to the sale of "all or substantially all" of the properties or assets of either (a) the Parent Guarantor and the Restricted Group, taken as a whole, or (b) the Restricted Group. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition under applicable law. Accordingly, the Co-Issuers' obligation to make an offer to redeem the Notes, and the ability of a Holder to require them to redeem the Notes as a result of a Change of Control Triggering Event, as a result of a highly leveraged transaction or a sale of less than all of the Parent Guarantor's and the Restricted Group, taken as a whole, or the Restricted Group's assets may be uncertain.

Redemption of the Notes prior to maturity may be subject to compliance with applicable regulatory requirements, including the prior approval of the RBI or the Authorized Dealer Bank, as the case may be.

Any early redemption of the Notes (whether due to certain tax events or an event of default, each as described in "Description of the Notes") may require the prior approval of the RBI or the authorized dealer bank ("Authorized Dealer Bank"). Compliance with any conditions specified in any such RBI or Authorized Dealer Bank approval will be required. The RBI and the Authorized Dealer Bank may not provide such approval in a timely manner or at all.

The Co-Issuers or the Parent Guarantor may redeem the Notes as a result of certain changes in tax laws.

As described in "Description of the Notes – Redemption for Taxation Reasons" in the event any of the Co-Issuers or a Guarantor would be required to pay certain additional amounts as a result of certain changes in tax law, the Co-Issuers or the Parent Guarantor may, subject to certain exceptions, redeem the Notes in whole or in part at a redemption price equal to 100.0% of the principal amount, plus accrued and unpaid interest.

The rights of Holders to receive payments under the Notes is junior to any tax liabilities of the Co-Issuers that are preferred by law.

The Notes will rank subordinated to certain liabilities preferred by law, such as claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of a Co-Issuer's business. In particular, in the event of bankruptcy, liquidation or winding-up, the applicable Co-Issuer's assets will be available to pay obligations on the Notes only after all of the tax liabilities and other liabilities which rank senior to the Notes have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Notes.

Further, under section 281 of the (Indian) Income Tax Act, 1961 ("IT Act"), a charge or pledge created by a person over certain types of assets (including plant, machinery and shares) shall be void as against any claim in respect of any tax or other sum payable by such person under any proceedings or claims under the IT Act which were pending at the time of creation of the charge, unless the permission of the relevant tax authorities is obtained prior to the creation of the charge. Though the Co-Issuers will apply for permission under section 281 of the IT Act prior to execution of the Collateral Documents, such permission of relevant tax authorities may not be received under section 281 of the IT Act prior to the execution of the Collateral Documents in connection with the Notes, and the charge so created shall be void as against any claim in respect of any tax or other sum payable as a result of the completion of any proceedings which are either pending under the IT Act at the time of execution of the Collateral Documents or which have been completed but no notice has been served in respect of such proceedings under the IT Act.

Further, under the Rajasthan Land Revenue (Allotment of Land for Setting up of Power Plant based on Renewable Energy) Rules, 2007, any security interest created over revenue land in Rajasthan is subject to a first charge of the the Government of Rajasthan. Accordingly, the Collateral created by Kanak Renewables Limited and ReNew Wind Energy (Rajasthan 3) Private Limited will be subject to such first charge.

Remittance of funds outside India pursuant to indemnification by the Co-Issuers in relation to the Notes requires prior RBI approval.

Remittance of funds outside India by the Co-Issuers pursuant to indemnity clauses under the Indenture or any other agreements in relation to the Notes requires prior RBI approval under the Foreign Exchange Management Act, 1999 and rules and regulations made thereunder. Any approval, if and when required, for the remittance of funds outside India is at the discretion of the RBI and the Co-Issuer can provide no assurance that we will be able to obtain such approval.

The Notes will initially be held in book-entry form, and therefore investors must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Notes will initially only be issued in global certificated form and held through DTC and its participants, including Euroclear and Clearstream. Interests in the global note representing the Notes will trade in book-entry form only, and Notes in definitive registered form will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or the Holders for purposes of the Indenture. The custodian for DTC will be the sole registered holder of the global note. Payments of principal, interest and other amounts owing on or in respect of the global note will be made to the paying agent who will make payments to DTC. Thereafter, these payments will be credited to accounts of participants (including Euroclear and Clearstream) that hold book-entry interests in the Global Notes and credited by such participants to indirect participants. After payment to the custodian for DTC, the Issuer will have no responsibility or liability for payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of DTC, Euroclear and Clearstream, and if you are not a participant in DTC, Euroclear and Clearstream on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of Notes under the Indenture.

Upon the occurrence of an Event of Default under the Indenture, unless and until definitive registered Notes are issued in respect of all book-entry interests, if an investor owns a book-entry interest, the investor will be restricted to acting through DTC, Euroclear and Clearstream. The procedures to be implemented through DTC, Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "Description of the Notes-Book – Entry, Delivery and Form."

The security over certain Collateral may in certain circumstances be voidable.

The security interest over the Collateral securing the Notes may be voidable under insolvency, bankruptcy, fraudulent transfer or similar provisions of New York law and the applicable laws of other jurisdictions, if and to the extent applicable. In the case of the Security being voidable under such laws in New York, the relevant time period during which such Security is voidable could be within six months of the date of the creation of the charge, although under some circumstances, it would be voidable within longer periods. If the security interest over the Collateral were to be voided for any reason, the Holders would have only an unsecured claim against the Co-Issuers, the Parent Guarantor (for so long as its Guarantee has not been released as per the Indenture) and the Guarantors. Under Indian law, the security interest over the Collateral granted by any of the Co-Issuers may be considered invalid if, in the event of insolvency, it is proved that such Co-Issuer had created a floating charge over the Security within twelve months immediately preceding the insolvency commencement date.

Investment in the Notes may subject investors to foreign exchange risks.

The Notes are denominated and settled in U.S. dollars. If an investor measures its investment returns by reference to a currency other than U.S. dollars, an investment in the Notes entails foreign exchange-related risks, including possible significant changes in the value of the U.S. dollar relative to the currency by reference to which an investor measures its investment returns, due to, among other things, economic, political and other factors over which the Co-Issuers have no control. Depreciation of the U.S. dollar against such currency could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss when the return on the Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign exchange gains resulting from any investment in the Notes.

Moreover, the revenues and expenses of the Co-Issuers are, and the interest reserve created by the Co-Issuers for the purposes of the Notes will be, denominated in Indian Rupees. There is a possibility of significant changes in the exchange rate between the Rupee and U.S. dollars, which may cause the Rupee amount maintained in the interest reserves to be insufficient to satisfy the interest servicing obligations denominated in U.S. dollars. Lastly, depreciation of the Rupee against the U.S. dollar, to the extent not fully hedged, could adversely affect the U.S. dollar value of the Co-Issuers' and the Parent Guarantor's earnings, the Co-Issuers' ability to satisfy their respective obligations under the Notes and the value of the Parent Guarantee.

While the Co-Issuers propose to hedge their foreign currency risk in relation to the Notes, there can be no assurance the Co-Issuers will have such foreign exchanges risks fully hedged by the time the Notes are issued or during the period while Notes are outstanding. See "*– Risks Relating to the Group's Business-Fluctuations in foreign currency exchange rates may negatively affect our capital expenditures and could result in exchange losses*" for more details on the impact of foreign exchange fluctuations on the Co-Issuers' and the Parent Guarantor's results of operations and financial condition.

The transferability of the Notes may be limited under applicable securities laws which may adversely affect their liquidity and value.

The Notes and the Guarantees have not been, and will not be, registered under the Securities Act or the securities laws of any state or any other jurisdiction and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or any other jurisdiction. See "*Plan of Distribution*." The Notes are not being offered for sale in the United States except to "qualified institutional buyers" in accordance with Rule 144A. See "*Plan of Distribution*." The Co-Issuers have not agreed to or otherwise undertaken to register the Notes with the U.S. Securities and Exchange Commission (including by way of an exchange offer). It is the obligation of holders of Notes to ensure that their offers and sales of the Notes within the United States and other countries comply with applicable securities laws.

The Notes are subject to selling restrictions and may be transferred only to a limited pool of investors.

The Notes can only be issued to and held by investors eligible under the ECB Guidelines (as amended and updated from time to time), being investors which are resident in jurisdictions which comply with FATF Requirements (as further set out in the section headed "Plan of Distribution") or other applicable Indian laws and regulations on FATF in relation to the Notes from time to time.

There is no public market for the Notes.

The Notes will be a new issue of securities with no existing trading market. Therefore, there can be no assurance that an active market will develop for the Notes or as to the liquidity of, or the secondary market for, the Notes. If an active market does develop, future trading prices of the Notes will depend on many factors, including, among others, prevailing interest rates, liquidity in the market; the Restricted Group's financial condition, performance and prospects, political and economic developments in India; and the market for securities similar to the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

There are interest rate risks on an investment in the Notes.

Investment in fixed rate instruments such as the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate instruments.

The Trustee may request that the Holders provide an indemnity and/or security and/or prefunding to its satisfaction.

Pursuant to the Description of the Notes and the Indenture, the Trustee may, in certain circumstances, request the Holders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes any action on behalf of Holders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to any indemnity and/or security and/or prefunding can be a lengthy process and may have an impact on when such actions can be taken.

The Notes may not be a suitable investment for all investors seeking exposure to green assets.

In connection with the offering of the Notes, the Parent Guarantor has received a second opinion from Emergent Ventures India regarding the suitability of the Notes and its green bond program as an investment in connection with certain environmental and sustainability criteria (the "Opinion"). The examples of Eligible Green Projects in "Use of Proceeds" are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by the Co-Issuers or the Parent Guarantor during the terms of the Notes.

The Opinion is not incorporated into and does not form part of this offering memorandum. There is currently no market consensus on what precise attributes are required for a particular energy project to be defined as 'green' or 'sustainable', and therefore no assurance can be provided to investors that the projects will meet all investor expectations regarding sustainability performance. Although the underlying projects have been selected in accordance with the categories recognized by the Green Bond Framework, and will be developed in accordance with relevant legislation and standards, there can be no guarantee that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and operation of the projects. In addition, where negative impacts are insufficiently mitigated, the projects may become controversial, and/or may be criticized by activist groups or other stakeholders.

None of the Co-Issuers, the Parent Guarantor or the Initial Purchasers makes any representation as to the suitability of the Opinion or the Notes to fulfil such environmental and sustainability criteria. Prospective investors should have regard to the factors described in this offering memorandum regarding the use of proceeds. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this offering memorandum regarding the use of proceeds and its purchase of Notes should be based upon such investigation as it deems necessary.

The Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes. The Opinion is not a recommendation to buy, sell or hold securities and is only current as of the date that the Opinion was initially issued. A withdrawal of the Opinion or any failure by the Co-Issuers or the Parent Guarantor to use the net proceeds from the Notes on eligible projects or to meet or continue to meet the investment requirements of certain environmentally focused investors with respect to such Notes may affect the value of the Notes and/or may have consequences for certain investors with portfolio mandates to invest in green assets.

There is no current market consensus on what constitutes a "green" or "sustainable" project.

There is no current market consensus on what precise attributes are required for a particular project to be defined as "green" or "sustainable" and therefore the Eligible Green Projects may not meet the criteria and expectations of investors regarding environmental impact and sustainability performance. We may not meet or continue to meet, the investment requirements of certain environmentally focused investors with respect to the Notes, which may also have consequences for certain investors with portfolio mandates to invest in green assets. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this offering memorandum regarding the use of proceeds of the Notes.

In the event that any such Notes are listed or admitted to trading on any dedicated "green," "environmental," "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Restricted Group or any other person that such listing or admission satisfied, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any green projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Restricted Group or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes. While it is the intention of the Restricted Group to apply the proceeds of any Notes so specified for green projects in, or substantially in, the manner described in this offering memorandum, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any green projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such green projects. Nor can there be any assurance that such green projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Restricted Group.

Any such event or failure by the Restricted Group will not constitute an Event of Default under the Notes. Any such event or failure to apply the proceeds of any issue of Notes for any green projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Restricted Group is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance green projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

The Company expects the Notes to be publicly rated by two recognized international rating agencies at or after deal announcement. While the Company engaged with a third recognized international rating agency, due to a number of factors, including their initial feedback and the cost of maintaining three public ratings, it decided not to procure a public rating from this agency. This third agency may however choose, on its own, to publicly assign a rating to the Notes and there can be no assurance that such rating will not be lower than either of the expected ratings of the Notes.

Prospective investors should not rely solely on the rating of the Notes and should make an independent decision, based on their own analysis and experience, whether to invest in the Notes. A credit rating is not a recommendation to buy, sell or hold the Notes. There can be no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant. In the event that a rating initially assigned to the Notes is subsequently lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes, and the market value of the Notes is likely to be adversely affected.

USE OF PROCEEDS

Subject to compliance with applicable laws and regulations, the Restricted Group intends to use the proceeds of this offering in the following order of priority:

- for Parent Guarantor Loans (as defined in "*Description of the Notes*") to the Company for an aggregate amount (together with Parent Guarantor Loans extended from the proceeds of the Original Notes) not to exceed Rs.8.4 billion (or the foreign currency equivalent thereof), which will ultimately be used for capital expenditure in Eligible Green Projects in the Group; and

- the balance for on-lending to the Company and/or other entities in the Group, which will ultimately be used for capital expenditure in Eligible Green Projects in the Group.

The Eligible Green Projects will be evaluated and selected based on our mission and in accordance with our policies and standards. The Company has retained an external approved verifier with recognized experience in environmental, social and governance research and analysis to review our Eligible Green Projects and processes and conduct pre-issuance Limited Assurance in conformance with Climate Bonds Standards. We will annually report on our website (i) the use of proceeds (project type, capacity and location) from this offering (ii) reduction in greenhouse gases achieved and (iii) a confirmation from the Company's management team that the use of proceeds is aligned with the Green Bond Framework. See "*Green Bond Framework Overview*."

The Restricted Group will create and fund an interest service reserve, pay accrued interest on debts being refinanced, pay the fees and expenses in connection with the issuance of the Notes, retire existing subordinated debts and repay creditors in an aggregate amount not exceeding cash on hand as of March 31, 2019 and in compliance with applicable laws and regulations.

Further, on or about the issue date of the Notes, the Company and/or other affiliates of the Restricted Group intend to infuse approximately US$49 million (or the Indian rupee equivalent thereof) in the Restricted Group to repay rupee denominated loans to certain entities in the Restricted Group from SBI and PSB.

Pending the application of the proceeds as described above, the Restricted Group may invest the proceeds in term deposits with authorized dealer category I banks in India for a maximum period of 12 months cumulatively or such other instruments as may be permitted under the ECB Guidelines and the Indenture.

GREEN BOND FRAMEWORK OVERVIEW

The certification of the Notes as climate bonds by the Climate Bonds Initiative is based solely on the Climate Bond Standard and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Notes or any Eligible Green Project, including but not limited to this offering memorandum, the transaction documents, the Co-Issuers or the management of the Co-Issuers.

The certification of the Notes as climate bonds by the Climate Bonds Initiative was addressed solely to the board of directors of the Co-Issuers and is not a recommendation to any person to purchase, hold or sell the Notes and such certification does not address the market price or suitability of the Notes for a particular investor. The certification also does not address the merits of the decision by the Co-Issuers or any third party to participate in any Eligible Green Projects and does not express and should not be deemed to be an expression of an opinion as to the Co-Issuers or any aspect of any Eligible Green Projects (including but not limited to the financial viability of any Eligible Green Projects) other than with respect to conformance with the Climate Bond Standard.

In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any Eligible Green Projects or the Co-Issuers. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any Eligible Green Projects. The certification may only be used with the Notes and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

The certification does not and is not in any way intended to address the likelihood of timely payment of interest when due on the Notes and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

The Company is committed to commissioning renewable energy projects in line with its high quality standards and engineering capabilities for the purposes of generating and providing clean power in a sustainable manner. In this process, the Company will strive to:

- Provide clean energy solutions for sustaining the planet.
- Be the leading renewable energy company providing the most innovative clean energy solutions to clients.
- Foster a culture of trust, collaboration and performance to achieve its business goals.
- Adhere to the highest standards of corporate governance.
- Operate ethically and fairly at all times while continually advancing stakeholder interests.

The Company has a board committee titled "Corporate Social Responsibility Committee" comprising three directors which formulates and recommends to the Board of Directors corporate social responsibility policy from time to time.

This Green Bond Framework (the "Framework") sets out how the Group proposes to use the available proceeds from this offering for the construction, finance or refinance of Eligible Green Projects in a manner consistent with the Company's sustainable values and provide the transparency and required disclosures to potential investors.

The Framework is established in accordance with the Climate Bonds Standard version 2.1 that will be certified by consultant empaneled with Climate Bonds Standard. The Framework also adheres to the Green Bond Principles, 2018 whose secretariat is by the International Capital Markets Association ("ICMA").

Use of proceeds

The proceeds from the issuance of green bonds will be applied to finance and refinance investments in the Eligible Green Projects including discharge of buyers' credit and letter of credit liabilities. Eligible Green Projects will comprise the following:

- Development, construction and operation of generation facilities where 100% of electricity is derived from wind energy resources.

- Development, construction and operation of generation facilities where 100% of electricity is derived from solar energy resources.

- Wholly dedicated transmission infrastructure for eligible solar and wind generation facilities.

Selection and Evaluation of Eligible Green Projects

A project approval request note is prepared prior to investment in a renewable project which is being appraised by an investment committee comprising of senior management of the Company (the "Investment Committee").

The Investment Committee will then make an assessment of eligible projects on the basis of the Framework to allocate available proceeds. If the criteria are met, the Investment Committee will recommend the utilization of proceeds to respective Eligible Green Projects for approval by the Board of Directors of the Company ("Board"). The Investment Committee will also check if any previous green bond proceeds have been allocated to the project and will ensure that there is no double counting of expenditure for the use of proceeds in any future green bond issuances. In respect of any subsequent issuance of green bonds, similar assessment and approval process will be carried out by the Company.

Management of Proceeds

The Company or its subsidiaries will maintain one or more separate bank account(s) for the proceeds of this offering. The Company will allocate an amount equal to the net proceeds for the financing of Eligible Green Projects. The Company will establish internal tracking systems to monitor and account for the allocation of the proceeds of this offering.

Any unallocated amounts of the proceeds of this offering shall be held in temporary investment instruments that are cash, term deposits with commercial banks or securities permitted as per the Company's investment policy.

Reporting

So long as the Restricted Group has green bonds outstanding, the Company will annually report on its website (i) the use of proceeds (project type, capacity and location) from this offering (ii) reduction in Green House Gases achieved and (iii) a confirmation from the Company's management team that the use of proceeds is aligned with the Framework.

Assurance

The Framework has been reviewed by Emergent Ventures India and certified by Climate Bonds Initiative. Company will obtain post issuance certification from the Climate Bonds Initiative to ensure that the use of proceeds, ongoing eligibility of the projects and assets, adequacy and output of Group's internal control and systems and use of proceeds not yet allocated are carried out in accordance with the Framework.

CAPITALIZATION

The following tables set forth the consolidated cash and bank balances and capitalization of the Group and the combined cash and bank balances and capitalization of the Restricted Group as at December 31, 2018:

- on an actual basis;
- as adjusted to give effect to the issuance of the Original Notes and the use of proceeds thereof; and
- as adjusted to give effect to the issuance of the Notes and the intended use of proceeds of this offering.

You should read the following tables together with "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the financial statements and the related notes included elsewhere in this offering memorandum.

The Group

	As at December 31, 2018			
	Actual		As adjusted(4)	
	(Rs. in millions)	(US$ in millions)(1)	(Rs. in millions)	(US$ in millions)(1)
Cash and cash equivalents	6,451	92	17,839(9)	256(9)
Bank balances other than cash and cash equivalents	17,983	258	17,983	257
Total	**24,434**	**349**	**35,822**	**513**
Short-term borrowings				
Working capital term loan (secured)	4,428	63	4,428	63
Acceptances (secured)	13,907	199	12,181(6)	175(6)
Commercial papers (unsecured)	2,862	41	2,862	41
Loan from body corporate (unsecured)	47	1	47	1
Buyer's/Supplier's credit (secured)	5,072	73	607(5)	9(5)
Loan from related party (unsecured)	573	8	573	8
Total Short term borrowings (a)	**26,889**	**385**	**20,698**	**297**
Long-term borrowings(2) (b)	238,039	3,411	225,399(7)	3,230(7)
Original Notes (c)	–	–	26,171(4)	375(4)
Notes offered hereby (d)	0	–	4,187(10)	60(10)
Total borrowings (a) + (b) + (c) + (d)	**264,928**	**3,796**	**276,455**	**3,962**
Total equity	**77,783**	**1,115**	**77,643(8)**	**1,113(8)**
Total capitalization(3)	**342,711**	**4,911**	**354,098**	**5,075**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financial statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(2) Includes current maturities of long-term borrowings.

(3) Total capitalization equals total borrowings plus total equity.

(4) Adjusted for the principal amount of Original Notes based on the Rs.26,171 million equivalent of US$375 million, using the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(5) Adjusted for repayment of Buyer's/Supplier's credit (secured) of ReNew Clean Energy for Rs.1,547 million, ReNew Saur Urja for Rs.983 million and ReNew Wind Energy (Budh 3) for Rs.1,935 million.

(6) Adjusted for repayment of Acceptances (secured) of Rajat Renewables for Rs.240 million and Kanak Renewables for Rs.1,486 million.

(7) Adjusted for repayment of long-term borrowings comprising term loan from bank (secured) of ReNew Wind Energy (Devgarh) for Rs.2,179 million and ReNew Wind Energy (Rajasthan 3) for Rs.5,350 million and Buyer's/Supplier's credit (secured) of ReNew Solar Energy for Rs.2,801 million, ReNew Saur Urja for Rs.2,211 million and ReNew Wind Energy (Budh 3) for Rs.99 million.

(8) Adjusted for unamortized ancillary borrowing cost of Rs.140 million.

(9) Adjusted for addition to Cash and cash equivalents after taking into account the adjustments explained in (5), (6), (7) and (8) above.

(10) Adjusted for the assumed principal amount of Notes based on the Rs.4,187 million equivalent of US$60 million, using the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

Two of our shareholders, GS Wyvern Holdings Limited and Canada Pension Plan Investment Board ("**CPP Investment Board**"), have both agreed in principle to purchase up to approximately US$48 million each of newly issued shares of our common stock, subject to regulatory approvals and final documentation. Except for the foregoing, there has been no material change to the Group's consolidated capitalization since December 31, 2018.

The Restricted Group

	As at December 31, 2018			
	Actual		As adjusted(4), (5)	
	(Rs. in millions)	(US$ in millions)(1)	(Rs. in millions)	(US$ in millions)(1)
Cash and cash equivalents	1,344	19	12,732(10)	182(10)
Bank balances other than cash and cash equivalents	1,865	27	1,865	27
Total	**3,209**	**46**	**14,597**	**209**
Short-term borrowings				
Buyer's/Supplier's credit (secured)	4,465	64	–(6)	–(6)
Acceptances (unsecured)	1,726	25	–(7)	–(7)
Loan from related party (unsecured)	5,639	81	5,639	81
Total Short term borrowings (a)	**11,830**	**170**	**5,639**	**81**
Long-term borrowings(2) (b)	22,811	327	10,171(8)	146(8)
Original Notes (c)	–	–	26,171(4)	375(4)
Notes offered hereby (d)	0	–	4,187(11)	60(11)
Total borrowings (a) + (b) + (c) + (d)	**34,641**	**497**	**46,168**	**662**
Total equity	**7,417**	**106**	**7,277(9)**	**104(9)**
Total capitalization(3)	**42,058**	**603**	**53,445**	**766**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financial statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(2) Includes current maturities of long-term borrowings.

(3) Total capitalization equals total borrowings plus total equity.

(4) Adjusted for the principal amount of Original Notes based on the Rs.26,171 million equivalent of US$375 million, using the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

(5) Unadjusted for the Company and/or other affiliates' infusion of approximately US$49 million (or the Indian rupee equivalent thereof) in the Restricted Group to repay rupee denominated loans to certain entities in the Restricted Group from SBI, PSB and IFCI.

(6) Adjusted for repayment of Buyer's/Supplier's credit (secured) of ReNew Clean Energy for Rs.1,547 million, ReNew Saur Urja for Rs.983 million and ReNew Wind Energy (Budh 3) for Rs.1,935 million.

(7) Adjusted for repayment of Acceptances (secured) of Rajat Renewables for Rs.240 million and Kanak Renewables for Rs.1,486 million.

(8) Adjusted for repayment of long-term borrowings comprising term loan from bank (secured) of ReNew Wind Energy (Devgarh) for Rs.2,179 million and ReNew Wind Energy (Rajasthan 3) for Rs.5,350 million and Buyer's/Supplier's credit (secured) of ReNew Solar Energy for Rs.2,801 million, ReNew Saur Urja for Rs.2,211 million and ReNew Wind Energy (Budh 3) for Rs.99 million.

(9) Adjusted for unamortized ancillary borrowing cost of Rs.140 million.

(10) Assumes addition to Cash and cash equivalents after taking into account the adjustments explained in (6), (7), (8) and (9) above.

(11) Adjusted for the assumed principal amount of Notes based on the Rs.4,187 million equivalent of US$60 million, using the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

There has been no material change to the Restricted Group's indebtedness since December 31, 2018.

UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

Background

On March 28, 2018, ReNew Power Services Private Limited, a wholly owned subsidiary of the ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited) ('the Company', 'the Parent' or 'RPL'), acquired 100% equity in Ostro Energy Private Limited (referred to as "OEPL"), its subsidiaries and entities under jointly controlled entities of OEPL, which has with effect from that date become a subsidiary of the Company.

The Parent and its subsidiaries, excluding OEPL, its subsidiaries and entities under jointly controlled entities of OEPL, (hereinafter collectively referred to as 'Pre-Acquisition Group') are carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

Consideration for this acquisition was financed through raising fresh equity amounting to Rs.16,090 million and remaining Rs.24,523 million through available equity headroom from earlier equity funds raised by the Company and internal accruals of the Pre-Acquisition Group. Pursuant to this acquisition the Company have consolidated 100% of OEPL in its consolidated financial statements for the year ended March, 31 2018 with effect from March 28, 2018 (hereinafter Pre-Acquisition Group and OEPL along with its subsidiaries and jointly controlled entities referred to as "Post-Acquisition Group").

The unaudited pro form statement of profit and loss gives effect to the acquisition of OEPL as if it occurred on April 1, 2017. Out of the total purchase consideration Rs.42,334 million, Rs.40,613 million was paid in cash on acquisition and remaining Rs.1,721 million is payable at later dates, subject to fulfilment of certain conditions as per the share purchase agreement. The amount withheld is towards collection from certain outstanding debtors and successful commissioning of two under commissioning plants. The management is confident that both the conditions would be met and the amount withheld would be paid out entirely.

The unaudited pro forma financial information is based on the historical audited consolidated statement of profit and loss of the Post-Acquisition Group for year ended March 31, 2018; and the historical audited consolidated statement of profit and loss of OEPL for the year ended March 31, 2018.

1. Basis of preparation

The historical audited consolidated statement of profit and loss of the Post-Acquisition Group for year ended March 31, 2018 has been adjusted in the unaudited pro forma consolidated statement of profit and loss to give effect to events that are (1) directly attributable to the acquisition of OEPL, (2) factually supportable and (3) expected to have a continuing impact on the consolidated results of the Company following the acquisition.

The unaudited pro forma financial information do not necessarily reflect what the combined Post Acquisition Group's financial condition or results of operations would have been had the acquisition occurred on the date indicated. They also may not be useful in predicting the future financial condition and results of operations of the Post Acquisition Group. The actual financial position and results of operations may differ significantly from the unaudited pro forma financial information reflected herein due to variety of factors.

The unaudited pro forma financial information does not reflect the realization of any expected cost savings or synergies from the acquisition of OEPL as a result of restructuring activities and other planned cost savings initiatives following the completion of business combination.

The unaudited pro forma financial information has been prepared by the management of the Company to reflect the impact of a significant acquisition made by the Company of OEPL on March 28, 2018.

The unaudited pro forma financial information of the Post-Acquisition Group comprising the pro forma statement of profit and loss for the year ended March 31, 2018, read with the notes to the unaudited pro forma financial information, has been prepared to reflect the acquisition of OEPL. Since financial position of the OEPL as at March 31, 2018 is already included in consolidated financial statements of RPL as on that date, no pro forma Balance Sheet as at March 31, 2018 has been prepared. Because of their nature, the unaudited pro forma financial information addresses a hypothetical situation and therefore, do not represent Post-Acquisition Group's factual financial position or results. They purport to indicate that the loss gives effect to the acquisition of OEPL as if it occurred on April 1, 2017 but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Post-Acquisition Group.

The pro forma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such unaudited pro forma financial information has neither been prepared in accordance with auditing or other standards and practices generally accepted in India nor standards and practices in any other jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in any other jurisdiction. Accordingly, the degree of reliance placed by anyone on such pro forma information should be limited. In addition, the rules and regulations related to the preparation of unaudited pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare this unaudited pro forma financial information.

As explained in the following paragraphs, the pro forma statements of profit and loss account for the year ended March 31, 2018 combines the Post-Acquisition Group's consolidated statement of profit & loss for the year ended March 31, 2018 (referred as 'RPL consolidated') and OEPL's consolidated statement of profit and loss from April 1, 2017 to March 31, 2018 (referred as 'OEPL consolidated') as if the acquisition had occurred on April 1, 2017. The financial year end of the Company and that of OEPL is March 31.

The adjustments made to the unaudited pro forma financial information are included in the following sections.

The unaudited pro forma financial information is based on the audited consolidated statement of profit and loss of the Post-Acquisition Group for year ended March 31, 2018; and the audited consolidated statement of profit and loss of OEPL for the year ended March 31, 2018.

2. *Pro forma adjustments*

The following adjustments have been made to present the unaudited pro forma financial information:

a. *Acquisition related adjustments:*

(i) To exclude the impact of income/expenses of OEPL from March 29, 2018 to March 31, 2018.

(ii) To include the impact of additional depreciation and amortisation amounting to Rs.505 million on account of the fair valuation of tangible and intangible assets and to exclude the impact of Depreciation and amortization expense of OEPL amounting to Rs.16 million from March 29, 2018 to March 31, 2018. has been made in the pro forma statement of profit and loss along with corresponding impact of deferred tax on such fair valuation. The fair value adjustment has a corresponding impact on deferred tax.

(iii) To include the impact of additional amortization amounting to Rs.9 million for the period from April 1, 2017 to March 28, 2018 on account of the fair value of investments in jointly controlled entities and to exclude the impact of share of profit/(loss) of jointly controlled entities amounting to Rs.0 from March 29, 2018 to March 31, 2018.

b. *Earnings per share (EPS):*

Pro forma EPS calculation for the year ended March 31, 2018 has been based on pro forma Statement of Profit and Loss of year ended March 31, 2018 and the assumption that the equity shares issued as part of the transaction were in issue for the whole year for which unaudited pro forma financial information have been presented.

Other than as mentioned above, no additional adjustments have been made to the unaudited pro forma statement of profit and loss to reflect any trading results or other transactions of the Post-Acquisition Group entered into subsequent to March 31, 2018.

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

Sumant Sinha
(Chairman & Managing Director)
DIN-00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Unaudited Pro forma Statement of Profit and Loss for the year ended March 31, 2018

(Amounts in INR million, unless otherwise stated)

	RPL consolidated Historical	OEPL consolidated Historical	Pro Forma adjustments	Notes	Pro forma financial information March 31, 2018
	(A)	(B)	(C)		(D=A+B+C)
Income:					
Revenue from operations	24,617	6,358	(44)	2 a (i)	30,931
Other income	3,178	923	(10)	2 a (i)	4,091
Total income (i)	27,795	7,281	(54)		35,022
Expenses:					
Cost of raw material and components consumed	522	–	–		522
Employee benefits expense	796	606	(2)	2 a (i)	1,400
Other expenses	3,410	775	(6)	2 a (i)	4,179
Total expenses (ii)	4,728	1,381	(8)		6,101
Earning before interest, tax, depreciation and amortization (EBITDA) (i) – (ii)	23,067	5,900	(46)		28,921
Depreciation and amortization expense	7,125	1,840	489	2 a (ii)	9,454
Finance costs	15,101	4,031	(37)	2 a (i)	19,095
Profit/(loss) before tax share of jointly controlled entities and tax	841	29	(498)		372
Share of profit/(loss) of jointly controlled entities	0	15	(9)	2 a (iii)	6
Profit/(loss) before tax	841	44	(507)		378
Tax expense					
Current tax	560	153	–		713
Deferred tax	(163)	197	(129)	2 a (ii)	(95)
Adjustment of tax relating to earlier periods	(76)	–	–		(76)
Profit/(loss) for the period before profit of entities with joint control	520	(306)	(378)		(164)
Profit/(loss) for the year	520	(306)	(378)		(164)
Other comprehensive income (OCI)					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Net movement on cash flow hedges	1,144	49	–		1,193
Income tax effect	(371)	(13)	–		(384)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	773	36	–		809
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Re-measurement loss of defined benefit plan	(1)	(3)	–		(4)
Income tax effect	0	1	–		1
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	(1)	(2)	–		(3)
Other comprehensive income for the year, net of taxes	772	34	–		806
Total comprehensive income for the year, net of tax	1,292	(272)	(378)		(642)
Profit for the period					
Attributable to:					
Equity holders of the parent	300	(306)			(384)
Non-controlling interests	220	–			220
Total comprehensive income for the period					
Attributable to:					
Equity holders of the parent	1,007	(272)			357
Non-controlling interests	285	–			285
Pro forma earning per share (EPS)					
Weighted average number of equity shares	339,327,176				377,142,261
Pro forma earning per share (EPS)	0.89				(1.02)

Note:– The above statement should be read with notes to pro forma financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is based on the consolidated financial statements of the Group as at and for the years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 and 2018, and the special purpose combined financial statements of the Restricted Group as at and for the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2017 and 2018, in the case of the Group prepared in accordance with Ind AS and in the case of the Restricted Group prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India and included elsewhere in this offering memorandum, and should be read in conjunction with, and is qualified in its entirety by reference to, such financial statements. The Group's financial information as at and for the year ended March 31, 2016 has been extracted from the comparatives as presented in the audited financial statements of the Group as on and for the year ended March 31, 2017.

Ind AS differs from IFRS and accounting principles generally accepted in the United States. For a discussion of certain significant differences between Ind AS and IFRS, see "Description of Certain Differences Between Ind AS and IFRS."

This discussion contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those discussed in or implied by any of the forward-looking statements as a result of various factors, including those listed under "Risk Factors" and "Forward-Looking Statements."

Overview

We are the largest renewable energy IPP in India in terms of total energy generation capacity (Source: CRISIL Report). As at December 31, 2018 we had a total capacity of approximately 6.46 GW, comprising 4.24 GW of operational capacity and 2.22 GW of capacity under development. We develop, build, own and operate utility scale wind and solar energy projects as well as distributed solar energy projects that generate energy for commercial and industrial customers.

As at December 31, 2018, our portfolio of projects comprised:

- 4,166 MW operational utility scale projects, 2,211 MW under development utility scale projects and 85 MW distributed solar projects with a combined capacity of 6,462 MW, comprising:
  - 2,925 MW operational and 1,351 MW under development wind energy projects with a total capacity of 4,276 MW;
  - 1,241 MW operational and 860 MW under development solar energy projects with a total capacity of 2,101 MW; and
  - 70.40 MW operational and 14.27 MW under development distributed solar projects with a total capacity of 84.67 MW.
- 287.8 MW wind and utility scale solar projects under development which are expected to be commissioned in the year ending March 31, 2019, which includes 228.1 MW already commissioned and 59.7 MW under development and 2,151.2 MW which are expected to be commissioned in the year ending March 31, 2020.

The Restricted Group represents a collection of wind and solar power projects that are large in size, operational, diversified across states and have long-term power purchase agreements.

The Restricted Group accounted for 15% of the Group's operating capacity as at December 31, 2018. The total income of the Restricted Group accounted for 15% and 14% of the Group's total income for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively and EBITDA of the Restricted Group accounted for 16% and 13% of the Group's EBITDA for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively.

The Restricted Group operates wind energy and utility scale solar projects. The projects comprising the Restricted Group have been selected with due consideration for their stage of operations, diversification by wind and solar as well as by geography and offtaker. The Restricted Group comprises 11 operational projects (seven solar energy projects and four wind energy projects) with a combined installed capacity of 635.70 MW as at December 31, 2018.

Significant Factors Affecting the Group's Results of Operations

Significant Growth

The Group commenced operations in 2012 and its first project had a 25.20 MW capacity in Jasdan, Gujarat. The Group's operational capacity and revenue from the sale of power has increased significantly in the years ended March 31 2016, 2017 and 2018 as a result of the organic and inorganic expansion of the Group's project portfolio. The Group increased its operational capacity from 545.76 MW as at March 31, 2015 to 986.90 MW as at March 31, 2016. The Group then doubled operational capacity to 1.99 GW as at March 31, 2017 and further nearly doubled it to 3.92 GW as at March 31, 2018. As at December 31, 2018, the Group had wind and solar projects with a total operational capacity of 4.24 GW and wind and solar projects under development with a total capacity of 2.22 GW. During the period from April 1, 2015 to December 31, 2018, the Group added operational capacity of 3.69 GW, including 2.40 GW through organic growth and 1.29 GW through acquisitions.

The table below sets forth additions to the Group's operational capacity in the years indicated:

	Additions in Operating Capacity (MW)[1]							
	As at							
	March 31,						December 31,	
	2016		2017		2018		2018	
	Organic Growth	Acquisitions[2]	Organic Growth	Acquisitions[2]	Organic Growth	Acquisitions[2]	Organic Growth	Acquisitions[2]
Utility scale wind	330.00	–	612.50	12.00	286.90	851.20	2.10	286.00
Utility scale solar	110.00	–	342.00	30.00	649.00	110.00	–	–
Distributed solar	1.14	–	6.40	–	34.31	–	27.34	–
Total operating capacity	**986.90**		**1,989.80**		**3,921.31**		**4,236.75**	

(1) Includes the capacity of the Restricted Group.

(2) Acquisitions are included under the operational capacity in the year of acquisition.

On November 15, 2017, the Group completed the acquisition of KCT, which had a portfolio of wind energy projects with an aggregate operational capacity of 103.10 MW. For the year ended March 31, 2018, KCT contributed (from November 15, 2017 to March 31, 2018) Rs.278 million towards the Group's consolidated revenue from operations. For the year ended March 31, 2017 and the period ended November 15, 2017 (at the time of acquisition), KCT generated revenue from operations of Rs.601 million and Rs.950 million, respectively, and profit for the period of Rs.67 million and Rs.408 million, respectively. On March 28, 2017, the Group completed the acquisition of Ostro Energy, which had a portfolio of overall capacity of 1,108.10 MW diversified across wind and solar energy projects. 858.10 MW of Ostro Energy's capacity was operational as at March 31, 2018 (748.10 MW and 110.00 MW of capacity, respectively). For the year ended March 31, 2018, Ostro Energy contributed (from March 28, 2018 to March 31, 2018) Rs.44 million towards the Group's consolidated revenue from operations. For the period ended March 28, 2018 (at the time of acquisition), Ostro Energy generated revenue from operations of Rs.6,314 million and loss for the period of Rs.300 million.

The increased scale and production of the Group's project portfolio enables the Group to benefit from economies of scale and reduce the impact of project-specific risks. The Group (excluding the Restricted Group) expects to further increase its total operational capacity both organically and through acquisitions, and the Group's (excluding the Restricted Group) results of operations in future periods will be affected substantially by the extent to which it is able to do so.

Power Purchase Agreements and Tariffs

The majority of the Group's revenue is attributable to electricity sales, and therefore the Group's results of operations are also affected by the tariffs the Group is able to obtain for the electricity it sells. Almost all of the Group's generated power is sold under PPAs to DISCOMs, other government agencies (SECI/NTPC) and industrial and commercial consumers.

The Group's PPAs are generally structured in the following ways

- *Feed-in tariffs*. PPAs with feed-in tariffs have an initial term generally of 25 years (with PPAs in certain states having terms of 13 or 20 years) with the tariffs fixed for the duration of the PPA by the relevant SERC. The power offtaker is generally required to purchase the electricity generated from the capacity contracted for and at the fixed tariff under the respective PPA. As at December 31, 2018, projects with PPAs structured on the basis of feed-in tariffs accounted for 59% of the Group's total operational capacity.

- *Bidding-based tariffs.* The renewable energy landscape in India has demonstrated a shift away from a feed-in tariff structure to an auction bidding structure. This uses a price discovery mechanism in which various generators bid and the lowest bid wins the contract. Due to the competitive bidding process, offtakers are increasingly able to procure electricity at lower prices. PPAs with bidding-based tariffs have an initial term of 25 years with the tariffs generally fixed for the entire duration of the PPA. As at December 31, 2018, projects with PPAs structured on the basis of bidding-based tariffs accounted for 37% of the Group's total operational capacity.

- *Bilaterally agreed tariffs.* Bilaterally agreed tariffs are provided for in PPAs with commercial and industrial customers (including group captive, open access and other third party consumers) and *for* distributed solar energy projects. These PPAs have an initial term ranging from 8 to 25 years. As at December 31, 2018, projects with PPAs structured on the basis of bilaterally agreed tariffs accounted for 4% of the Group's total operational capacity.

For further details of the PPAs, see "*Business-Power Purchase Agreements.*" The Group's tariffs generally declined during the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2018, primarily due to decreasing tariff rates across the industry. For further details on tariffs, see "*Industry Overview.*" As per the policy of the GoI, most states in India have shifted to models based on competitive bidding (instead of feed-in tariffs) for awarding PPAs. A move towards competitive bidding generally lowers the tariffs that renewable energy generators receive under their PPAs. Although tariff rates vary from state to state, they have declined significantly for both solar and wind power.

The Group's results of operations are also impacted by the ability and willingness of its customers to fulfil their contractual obligations under the relevant PPA. In the past, the Group has experienced delays in the receipt of payments from DISCOMs, including in Maharashtra and Rajasthan. Non-payments or delays in payment under the Group's PPAs could negatively impact its results.

Utilization of power generation assets

The Group's results of operations also depend on the utilization of the Group's power generation assets, which largely depends on wind and solar resource availability, grid availability and equipment availability.

- *Wind and solar resource availability.* The Group's business operations and electricity sales are also impacted by seasonality and weather conditions. Weather conditions can have a significant effect on the Group's power generation activities, especially in relation to its wind energy projects. The profitability of the Group's wind and solar energy projects is directly correlated to wind and solar conditions at its project sites. Variations in wind conditions occur as a result of fluctuations in wind currents on a daily, monthly and seasonal basis and, over the long-term, as a result of more general changes in the climate. In particular, wind conditions are generally tied to the monsoon season in India and are impacted by the strength of each particular monsoon season. The monsoon season in India runs from May to September (high wind months) and the Group generates the majority of its annual wind production during this period. Unlike wind resources which are concentrated in specific regions and sensitive to the monsoon season, solar power generation is viable across India throughout most of the year as India ranks among the highest irradiation receiving countries in the world.

  The profitability of the Group's energy projects also depends on whether observed wind and solar conditions at the Group's project sites are consistent with assumptions made (based on long term averages of available resource data) during the project development phase. Actual wind conditions may not conform to the measured data in resource assessment studies. In addition, climatic conditions may be adversely affected by nearby objects (such as buildings, other large-scale structures or wind turbine generator systems) developed later by third parties. Furthermore, components of the Group's systems, such as solar module panels and inverters, could be damaged by severe weather conditions, such as hailstorms, tornadoes or lightning strikes or levels of pollution, dust and humidity.

- *Grid availability.* While the Group carefully evaluates evacuation infrastructure and grid availability as part of the Group's project evaluation process, the dispatch and transmission of the full output of the Group's renewable energy assets may be reduced due to transmission limitations or interruptions. These are caused by, among other things, the non-availability of the external grid, curtailment due to evacuation constraints, fluctuating voltages, stoppages ordered by government and local authorities, and force majeure events including natural disasters. The Group may have to stop producing electricity, or reduce production, during the periods when electricity transmission is curtailed due to grid congestion or other grid constraints. Transmission limitations affected the Group's results of operations during the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2017 and 2018.

  Forecasting and scheduling mechanisms have been introduced in certain states pursuant to the notification of forecasting and scheduling regulations by the concerned electricity regulators. Under these regulations IPPs are required to provide a schedule indicating the quantum of power intended to be dispatched from a relevant power project into the electricity grid a day in advance. In order to undertake the required forecasting and scheduling, the Company employs the services of a third party provider to implement the required forecasting and scheduling mechanism. The third party undertakes analysis and on behalf of the Company sends a forecast a day ahead to the relevant distribution company consisting of a forecast for dispatch of energy throughout the day divided into 96 blocks of 15 minutes each. The Company is required to supply power in accordance with this forecast. However, the regulations permit real time modification of the forecast for future time blocks. Forecasting and real time modifications are carried out on the basis of factors such as plant availability and historical weather data.

In the event that the actual supply of power deviates beyond the permitted range from the forecast submitted to the relevant distribution company, the IPP may be required to pay penalties in accordance with the relevant regulations. The ability to carry out modifications considerably reduces the likelihood of deviations and consequent penalties. Penalties are levied on the basis of monthly reconciliations conducted under the applicable regulations.

- *Equipment availability*. The number and length of planned outages undertaken in order to perform necessary inspections and testing to comply with industry regulations and to permit the Group to carry out any maintenance activities, can also affect the Group's operating results. When possible, the Group seeks to schedule the timing of planned outages to coincide with periods of relatively low wind months at the relevant project site. Likewise, unplanned outages caused by equipment malfunction, mechanical failure or damage to evacuation infrastructure, for example, may be only partly covered by insurance and can negatively affect the Group's operating results. The Group seeks to pre-emptively conduct maintenance on its equipment so as to enable the Group's projects to perform at the desired levels. The Group seeks to mitigate the risks of equipment failure by monitoring the performance of the Group's wind and solar energy projects from a central site, the ReNew Power Diagnostics Centre, on a continuous basis, reviewing real time data on actual energy generation at each site and addressing any anomalies.

Project costs and capital expenditure

The Group's capital expenditure requirements comprise the development costs of the Group's projects, including turbine purchase and installation costs, purchase of solar module panels and balance of plant components, labor costs, consultation and professional fees, interest accrued during construction and other project development costs, which include resource assessments, the cost to obtain permits and licenses and legal costs. Costs associated with repairs and maintenance of the Group's projects which add to their useful lives are also included in the Group's capital expenditure, while other operation and maintenance expenses are recorded in the Group's statement of profit and loss as other expenses in the period when they were incurred. Projects under construction as at the balance sheet date are shown as capital work in progress and are capitalized into the carrying amount of property, plant and equipment when the projects are ready for use. For the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2018, the capitalization of capital work in progress was Rs.30,260 million, Rs.64,404 million, Rs.60,002 million and Rs.19,332 million, respectively. Depreciation is calculated to write off the cost of property, plant and equipment, less their estimated residual value, if any, using a straight-line method over their estimated useful life. For the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2018, the Group's depreciation expenses for property, plant and equipment amounted to Rs.2,076 million, Rs.3,803 million, Rs.7,017 million, and Rs.8,417 million, respectively.

The prices of wind turbines, solar module panels and other equipment for the Group's projects have a direct impact on its results of operations through finance costs and depreciation expenses. Due to the rapid expansion of wind turbine and solar panel technology, increasing competition and a significant decrease in input costs resulting from increased economies of scale and decreasing raw material costs, the market prices of wind turbines and solar module panels have generally declined in recent years. However, other factors may cause the prices of such equipment to increase. For example, there is a possibility that anti-dumping duties and safeguard duties will be imposed on the equipment the Group imports. As at December 31, 2018, the GoI is considering imposing higher import duties (including anti-dumping and safeguard duties) on solar module panels imported from China and certain other countries. Having higher duties imposed on the Group's imported equipment will cause the price of such equipment to increase. For example, the GoI issued a notification providing for levy of safeguard duties on import of solar module panels from countries including China. Pursuant to this notification, the Group is liable to bear additional safeguard duties for any projects for which the Group imports solar modules from such countries. However, the impact of this duty is mitigated by the 'change in law' provisions under the Group's signed PPA. Accordingly, the Group will be liable to pay safe guard duty for 860 MW, out of which 760 MW is protected under the change in law clause under the relevant PPAs. Additionally, the Group is challenging the imposition of these safeguard duties, for further details see "*Risk Factors – Risks relating to the Group's Business – Restrictions on solar equipment imports may increase our business costs*." The implementation of GST from July 1, 2017 has led to increases in tax rates on equipment used in the Group's wind and solar energy projects which also increases the Group's equipment costs. See "*Risk Factors – Risks relating to the Group's Business – Our PPAs expose us to several risks including those associated with cost overruns and delays.*" The Group seeks to manage equipment costs by having a diversified base of OEM vendors to protect the Group from over-reliance on any one vendor, and by utilizing its scale of operations to negotiate favorable terms with the Group's OEM vendors.

Operation and maintenance expenses

The Group contracts with wind turbine suppliers for the provision of comprehensive operation and maintenance services for its wind energy projects. The operation and maintenance services for the Group's utility scale solar projects are generally performed by the Group's in-house team and the services for its distributed solar projects are performed by third parties. Where the Group has outsourced operation and maintenance services, the Group proactively monitors vendor performance to ensure that projects are performing at expected generation levels. For the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2018, the Group's operation and maintenance expenses were Rs.447 million, Rs.968 million, Rs.1,600 million and Rs.2,128 million, respectively, which represented 7%, 7%, 7% and 6% of the Group's revenue from operations for the respective year. O&M expenses in typical solar and wind energy projects range from Rs.0.22 million to Rs.0.73 million per MW and Rs.0.72 million to Rs.1.32 million per MW, respectively, and typically escalate at a rate of 5% per annum. The Group's large project portfolio in existing states creates a homogeneous spread of operations thereby resulting in a more contiguous and efficient operation and maintenance coverage. Substantially all of the capacity under development through the Group's new utility scale projects is in the states where the Group is already present. This also enables the Group to negotiate more favorable terms from a diversified basis of operation and maintenance service providers.

Financing Requirements

The Group operates in a capital intensive industry. As a result, the Group's ability to access cost-effective financing is crucial to its business. Since the Group's founding, the Group has had the ability to access diversified pools of Indian and international capital, including equity, project finance and corporate debt, from a broad cross-section of investors, lenders and other capital providers. The Group's equity investors include private equity, sovereign wealth and pension funds as well as renewables-and infrastructure-focused investors. The Group's institutional equity investors have invested a total of Rs.66,966 million in the Company in various tranches over the years, with the most recent investment in March 2018. The Group also has access to a range of project finance and debt instruments from multiple Indian and international lenders. The Group's debt financing framework includes new financing (term loans, letters of credit and buyer's credits) and refinancing instruments. The Group raised US$475 million Rupee-denominated "masala bonds" in February 2017.

The Group's ability to access diversified pools of capital has enabled the Group to raise finance and refinance its projects regularly and on competitive terms to maximize its capital efficiency. The Group believes that it has, to date, benefitted from a well-balanced mix of equity, corporate debt and project financing, as well as a relatively low interest rate environment, that have contributed to the rapid growth of the Group's business. While the Group expects to fund the construction and development of its projects with a combination of cash flows from operations, debt financings and equity financings, the Group's ability to arrange for such financing remains subject to various factors, including those affecting the macro-economic environment. Furthermore, the Group's ability to meet its payment obligations under its outstanding debt depends on the Group's ability to generate significant cash flows in the future, which, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors that are beyond the Group's control.

The Group seeks to maintain a careful balance between the Group's exposure to fixed and floating interest rate instruments. The level of the Group's borrowings and its ability to obtain additional borrowings on the existing terms as well as any interest rate fluctuations and other borrowing costs, have had and will continue to have a material effect on the Group's finance costs and consequently, the Group's results of operations and financial condition. The Group's finance costs for the years ended March 31, 2016, 2017 and 2018 and for the nine month ended 2017 and 2018 was Rs.4,433 million, Rs.8,259 million and Rs.15,101 million, Rs.10,822 million and Rs.20,225 million, respectively. As at December 31, 2018, the Group had Rs.264,928 million of borrowings including long-term borrowings, short-term borrowings and current maturities of long term borrowings. The Group's weighted average interest cost of borrowings (excluding letters of credit and buyer's credit) for the years ended March 31, 2016, 2017 and 2018 and for the nine months ended 2017 and 2018 was 11.5%, 11.1%, 10.3%, 10.3% and 10.4%, respectively. Rising interest rates could adversely affect the Group's ability to secure financing on favorable terms and the Group's cost of borrowings could, as a result, increase. The Group will regularly refinance its operational projects to extend repayment tenors, enhance borrowing limits and reduce the Group's overall debt service requirements. Also see "*Risk Factors – Risks relating to the Group's Business – Implementing our growth strategy requires significant capital expenditure and will depend on our ability to maintain our access to multiple funding sources on acceptable terms.*"

The Restricted Group does not have any material indebtedness that matures prior to the stated maturity of the Notes, other than scheduled amortization. For more detail please see "*Description of Other Indebtedness.*"

Government Policies and Initiatives

In order to boost wind based capacity additions, the central government is in the process of formulating certain policies and initiatives which are as discussed below. However, we believe that the impact of each of these steps is expected to have an influence on the market only over the medium-term.

1. Introduction to Renewable Energy Act

The central government has released the draft Renewable Energy Act in July 2015 to address various issues limiting the growth potential of renewable energy sector. The Act is in the consultation stage and would be proposed in the parliament once other amendments and legislations (Under National Tariff Policy 2006 and Electricity Act 2003) to facilitate the implementation of the Act are also identified and implemented.

The Act aims to boost demand for renewable energy by creating a mandatory national level RPO targets with provision for penalties on DISCOMs/states in case of non/under compliance. In addition, it envisages timely provisioning of infrastructure, payment security mechanisms and other steps to improve operations for developers.

#	Core Products Under RE Act	Implications
1	Proposal for mandatory and enforceable national level RPO targets for all the states	• Increase in the RPO targets of the state • Rise in national level compliance of RPO markets
2	Formulation of guidelines for states and at the central level	• Rise in ordering from other obligated entities (e.g. captive power plant and other open access consumers)
3	For RPO compliance the states can buy the renewable energy from plant located anywhere in India and no open access charges	• Better utilization of most appropriate location for RE in India • Major industrial load of DISCOMs could drop
4	Renewable energy generates to be granted access/availability to the grid within 30 days from the date of application or commencement of the generation	

#	Core Products Under RE Act	Implications
5	Energy billing and accounting for the unit generated not pumped into the grid (Deemed Generation) due the transmission constraints	
6	Payment securing mechanism through a nation Green energy fund	• Ease of availability of transmission infrastructure and preventing DISCOMs for backing down renewable generation
7	Creation of state level energy fund with support from NCEF	• Secured and timely payment to RE generator
8	Competitive bidding for RE	• Returns of RE developers are likely to remain subdued
9	Mandatory Renewable Generation Obligation ("RGO") of minimum 10 percent to thermal generating stations	• Gencos can sell bundled power, reducing cost shock to DISCOMs

2. National Wind-solar Hybrid Policy

Ministry of New and Renewable Energy ("MNRE") issued the National Wind-Solar Hybrid Policy in May 2018. The policy provides a framework for promotion of large grid connected wind-solar PV hybrid system for efficient utilization of transmission infrastructure and land. The policy also focuses at reducing the variability in renewable power generation and achieving better grid stability. Moreover, it aims to encourage new technologies, methods and wayouts involving combined operation of wind and solar PV plants.

The policy provides for procurement of power from a hybrid project on tariff based transparent bidding process. It stipulates that all fiscal and financial incentives available to wind and solar power projects would also be made available to such projects. Further the policy allows addition of battery storage in hybrid projects so as to reduce variability of output power and provide higher energy output.

3. Setting up Capacities under off shore Wind Energy Model

In 2014, MNRE signed a memorandum of understanding for setting up a joint venture company, for first demonstration of off shore wind energy project. The company would be a joint venture of PSUs ranging from MNRE, NTPC, PGCIL, IREDA, PFC, PTC, and GPCL.

Post that, the government has taken multiple steps in the right direction to attract investments. Few of the key initiatives to promote offshore industry are as given below:

In October 2015, MNRE has released the national offshore wind energy policy, which provided guidelines for allocation of wind energy in India. In fact, the National institute of wind energy ("NIWE") is authorized as the nodal agency for the development of off shore wind energy and initial studies carried out by the agency has indicated wind energy potential on the coasts of Gujarat and Tamil Nadu.

While there have been concerted efforts by the government to promote this new technology, there has been strong efforts from the private groups too to enter in the wind energy market. In fact a project funded by European Union, titled First Offshore Wind Project of India ("FOWPI"), aims at supporting MNRE by providing technical assistance in preliminary implementation of first off-shore wind farm project of India.

FOWPI will undertake works such as coastal surveys, environment approvals, transmission and power evacuation schemes, designing, monitoring and other technical requirements.

Further, in the third quarter of the year ended 31 March, 2018, MNRE came out with the draft norms for wind energy blocks to be identified for the off shore projects. As per the norms allocations of wind energy blocks needs to be done under the international competitive bid.

Critical Accounting Policies

The Group's critical accounting policies are those that the Group believes are the most important to the portrayal of its financial condition and results of operations and that require its management's most difficult, subjective or complex judgements. In many cases, the accounting treatment of a particular transaction is specifically dictated by applicable accounting policies with no need for the application of the Group's judgement. In certain circumstances, however, the preparation of financial statements in conformity with applicable accounting policies requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent assets and liabilities at the end of the reporting period. Actual results could differ from those estimates. The Group bases its estimates on historical experience and on various other assumptions that our management believes are reasonable under the circumstances. However, significant accounting estimates are reflective of significant judgements and uncertainties and are sufficiently sensitive to result in materially different results under different assumptions and conditions.

The Group's significant accounting policies are set out in its consolidated financial statements included elsewhere in this offering memorandum. The Group believes that the following accounting policies and estimates are the most critical to aid in fully understanding and evaluating our reported financial results, and they require our management's most difficult, subjective or complex judgments, resulting from the need to make estimates about the effects of matters that are inherently uncertain. To the extent applicable or relevant, the Restricted Group applies the same accounting policies as the Group.

Revenue recognition

Prior to implementing of Ind AS 115, i.e. up to March 31, 2018

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

Sale of power

The Group recognizes income from supply of power on the supply of units generated from the plant to the grid, as per the terms of the PPA entered into with the customers.

Income from engineering procurement and construction (EPC) contracts

A portion of the Group's income is derived from EPC services provided to third parties, typically in the Group's distributed solar projects business. The Group recognizes revenue from the provision of supply under EPC contracts when all significant risks and rewards of ownership of the EPC contract have been passed to the buyer.

The Group recognizes revenue from the provision of service based on the percentage of the completion method. The Group determines the percentage of the completion as a proportion of cost incurred to date to the total estimated contract cost. The Group recognizes profit on contracts based on the percentage of the completion method and account losses for as soon as they are anticipated. However, the Group does not recognize profit unless there is reasonable progress on the contract. If 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 these uncertainties.

The Group reflects contract revenue earned in excess of billing under other current assets and billing in excess of contract revenue under current liabilities in the balance sheet.

The Group provides for liquidated damages based on the Group's management's assessment of the estimated liability as per contractual terms and/or acceptances. Possible liquidated damages which can be levied by customers for delay in execution of project are accounted for as and when they are levied by the customer.

Sale of renewable energy certificates

The Group recognizes income from sale of RECs on actual sale of the certificates.

Income from liquidated damages, compensation for loss of revenue and interest on advances

The Group recognizes income from liquidated damages, compensation for loss of revenue and interest on advance after certainty of receipt of the same is established.

Dividend

The Group recognizes dividend income when the right to receive dividend is established by the reporting date.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, the Group records interest income using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but do not consider the expected credit losses. The Group includes interest income in finance income in the statement of profit and loss.

Post implementing of Ind AS 115, i.e. April 1, 2018

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

Sale of power

The Group recognizes income from supply of power on the supply of units generated from the plant to the grid, as per the terms of the 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 consideration payable to the customer (if any).

Sale of equipment

The Group recognizes revenue from sale of equipment 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.

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 recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Rebates

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

Consideration payable to customers

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

Income from engineering procurement and construction (EPC) contracts

The Group provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. Contracts for bundled sales of equipment and installation services are comprised of two performance obligations because the promises to transfer equipment and provide installation services are capable of being distinct and separately identifiable. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.

The Group recognizes revenue from installation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from the sale of the equipment are recognized at a point in time, generally upon delivery of the equipment.

Income from compensation for loss of revenue

The Group recognizes income from compensation for loss of revenue after certainty of receipt of the same is established.

Dividend

The Group recognizes dividend income when the right to receive dividend is established by the reporting date.

Government grants

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

When the Group receives grants of non-monetary assets, the Group records the asset and the grant at fair value amounts and releases them 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 and loss. The Group recognizes government grants of generation based incentive and sale of RECs as other income.

Generation based incentive

The Group recognizes generation based incentive on the basis of supply of units generated by us 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 grants. The Group recognizes such deferred grant over the period of useful life of underlying asset.

Property, plant and equipment

The Group states capital work-in-progress, plant and equipment in our balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, the Group recognizes its cost 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 recognized in profit or loss as incurred.

Subsequent costs

The Group recognizes the cost of replacing a part of an item of property, plant and equipment 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 derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

The Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

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 recognized in the statement of profit and loss when the asset is derecognized.

Derecognition

The Group derecognizes an item of property, plant and equipment and any significant part initially recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each year ended March 31, and adjusted prospectively, if appropriate.

Depreciation and Amortization

Depreciation and impairment in value of tangible assets

The Group calculates depreciation on property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives estimated by the Group's management as follows:

Asset Category	Useful Life
Plan and equipment (solar rooftop projects)[(1)]...	25 years or terms of power purchase agreement, whichever is less (15-25 years)
Plant and equipment (wind and solar energy projects)[(1)]	18 – 25
Plant and equipment (others)	5 – 18
Office equipment	5
Furniture and fixture...	10
Computers...	3
Computer servers	6
Leasehold improvements...................................	Over the period of lease (5 years)

(1) Based on an external technical assessment, the Group's management believes that the useful lives as given above and residual value of 0%-5%, best represents the period over which the 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 the Companies Act, 2013.

Amortization and impairment in value of intangible assets

Intangible assets acquired individually, with a group of other assets or in a business combination are carried at cost less accumulated amortization and any impairment in value. The amortization of intangible assets is calculated on a straight line method over their estimated useful lives in proportion to the economic benefits consumed in each period. The estimated useful lives of the intangible assets are as follows:

Asset Category	Useful Life
Licenses/software..	3-6 years

Impairment of assets

The Group reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each year ended March 31 and adjusted prospectively, if appropriate.

Taxes

Current income tax

The Group measures current income tax assets and liabilities 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. The Group recognizes current income tax relating to items recognized outside profit or loss either in other comprehensive income or in equity. The Group's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The Group offsets current income tax assets and liabilities if a legally enforceable right exists to set off these.

Deferred tax

The Group provides for deferred tax 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.

The Group recognizes deferred tax liabilities for all taxable temporary differences, except (i) 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; and (ii) 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.

The Group recognizes deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. The Group recognizes deferred tax assets 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 utilized. The Group reviews the carrying amount of deferred tax assets at each reporting date and reduce the amount 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 utilized. The Group re-assesses unrecognized deferred tax assets at each reporting date and recognizes to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or equity). Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax

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

Borrowing cost

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 amount of borrowing costs capitalized in property, plant and equipment in the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2018 was Rs.506 million, Rs.1,076 million, Rs.505 million and Rs.352 million, respectively. The rate used to determine the amount of borrowing costs eligible for capitalization was the effective interest rate (EIR) of the specific borrowing. The Group amortizes borrowing costs based on the EIR method over the term of the borrowing. The Group recognizes the EIR amortization under finance costs in the statement of profit or loss. The Group adds the amount amortized for the period from disbursement of borrowed funds up to the date of capitalization of the qualifying assets to the cost of the qualifying assets.

Fair value measurement of financial instruments

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

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, the Group measures their fair value using valuation techniques including the discounted cash flow (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.

The assumptions the Group uses 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.

Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization ("EBITDA") as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/(loss) from continuing operations. In the measurement, the Group includes interest income but does not include depreciation and amortization expense, finance costs and tax expense.

Principal Components of the Group's Profit and Loss Statement

Revenue

The Group's income comprises revenue from operations and other income.

Revenue from operations

The Group's revenue from operations comprises: (i) sale of power, (ii) sale from engineering, procurement and construction ("EPC") services and (iii) income from sale of renewable energy certificates ("RECs").

The Group generates substantially all of the Group's revenue from the sale of electricity generated from its wind and solar energy projects. Revenue from the sale of power is dependent on the amount of power generated by each of the Group's projects and is recognized on the basis of the number of units of power supplied multiplied by the tariff per kWh in the PPA, feed-in tariff policy or market rates, as applicable. The Group also earns a small portion of its revenue from the sale of management shared services, the sale of EPC services and the sale of RECs. Sale of management shared services represents revenue from management shared services for jointly controlled entities. Sale from EPC services represents revenue from EPC services provided to third party customers. Income from sale of RECs presents revenue from sale of RECs to DISCOMs and other private customers to fulfil their renewable energy purchase obligations.

The following table sets forth a breakdown of the Group's revenue from operations for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Sale of power	6,087	12,997	23,908	343	18,669	34,416	493
Sale of management shared services	–	–	–	–	–	23	0
Sale from EPC services	2	4	554	8	159	2	0
Income from sale of RECs	47	72	155	2	97	50	1
Total revenue from operations	**6,136**	**13,073**	**24,617**	**353**	**18,925**	**34,491**	**494**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financial statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

In the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2017 and 2018, the proportion of the Group's revenue from operations from solar energy projects increased as the Group expanded the operational capacity of the Group's solar energy projects through organic growth and acquisitions. The Group commissioned the Group's first solar energy project in June 2015 and has since scaled up to 1,241.00 MW of operational solar capacity as at December 31, 2018, of which 140.00 MW was added through acquisitions. The following table sets forth a breakdown of the Group's revenue from operations by wind power and solar power (including revenue from solar power and sale from engineering, procurement and construction services) for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Wind power	5,602	10,172	15,255	219	12,961	25,470	365
Solar power	534	2,901	9,362	134	5,964	8,998	129

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financial statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

Other income

The Group's other income refers to income from activities other than normal business operations, and primarily includes recurring other income including interest income on fixed deposits with banks, profit from sale of mutual funds, unrealized gain/loss on mutual funds based on marked to market valuations and government grants of generation based incentive, and non-recurring other income such as compensation for loss of revenue and other liquidated damages, foreign exchange gains and insurance claims. Interest income on fixed deposits with banks, profit on sale of and unrealized gain on mutual funds and government grants of generation based incentive constitute a significant portion of the Group's other income.

Expenses

Certain common group expenses, including employee benefits expenses, are incurred centrally. These expenses are allocated to project SPVs as shared management service costs. Expenses allocated to projects under construction are capitalized and form part of project costs. Expenses reported in the statement of profit and loss are net of amounts capitalized for projects under construction.

Cost of raw materials and components consumed

Cost of raw materials and components consumed represents amount incurred towards procurement of items for the EPC services provided to third party customers.

Employee benefits expenses

The Group's employee benefits expense comprises: (i) salaries, wages and bonus, (ii) contribution to provident and other fund, (iii) share-based payment, (iv) gratuity expense and (v) staff welfare expenses.

Other expenses

The Group's other expenses primarily comprise (i) operation and maintenance expenses, (ii) legal and professional fees, (iii) travelling and conveyance, (iv) rates and taxes, (v) insurance, and (vi) miscellaneous expenses. Operation and maintenance expenses constitute a significant portion of our total expenses. Operation and maintenance services are generally contracted for a period ranging from five to 20 years, of which generally the first two years are provided free of charge for wind energy projects and we are able to amortize these costs over the full contract period. Operation and maintenance services for wind energy projects and distributed solar energy projects are generally provided by third parties and for utility solar energy projects, the services are carried out in-house. The increases in operation and maintenance expenses in the years ended March 31, 2016, 2017 and 2018 were primarily due to increases in the operational capacity of the Group's wind and solar energy projects.

Depreciation and amortization expense

Depreciation and amortization expense relates to depreciation of property, plant and equipment and amortization of intangible assets. Tangible and intangible assets are depreciated and amortized over periods corresponding to their estimated useful lives. See "– Critical Accounting Policies – Property, plant and equipment" and see "– *Critical Accounting Policies – Depreciation and Amortization*" above.

Finance costs

The Group's finance costs comprise borrowing costs and unamortized ancillary borrowing cost write offs. Borrowing costs consist of interest, discount on issue, premium payable on redemption and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Unamortized ancillary borrowing costs are written off in the financial year when the relevant loan is refinanced and if the terms of such refinanced amount are substantially different from the existing financing. Finance costs are capitalized during the construction phase of a project, and finance costs are recorded in the statement of profit and loss once the project commences operations. See "– *Critical Accounting Policies – Borrowing cost*" above.

Tax expense

Income tax expense represents the provisions of income tax for the Group's project SPVs towards current and deferred taxes, for which our project SPVs are taxed on an individual basis instead of a consolidated basis. The Group's project SPVs engaged in power generation currently benefit from a tax holiday from the standard Indian corporate tax. However, these project SPVs are still liable to pay a minimum alternate tax which is calculated on the profits of the relevant project SPV. See "*– Critical Accounting Policies – Taxes.*"

Results of Operations – Group Consolidated Financial Statements

The following table sets out selected financial data from the Group's consolidated financial statements for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Consolidated Statement of Profit and Loss							
Income							
Revenue from operations	6,136	13,073	24,617	353	18,925	34,491	494
Other income	1,274	2,435	3,178	45	2,123	3,528	51
Exceptional items	1,171	–	–	–	–	–	–
Total income	**8,581**	**15,508**	**27,795**	**398**	**21,048**	**38,019**	**545**
Expenses							
Cost of raw material and components consumed	–	4	522	7	144	2	0
Employee benefits expense	163	512	796	11	624	737	11
Other expenses	889	1,890	3,410	49	2,225	3,845	55
Total expenses	**1,052**	**2,406**	**4,728**	**67**	**2,993**	**4,584**	**66**
Earnings before interest, tax, depreciation and amortization (EBITDA)	**7,529**	**13,102**	**23,067**	**331**	**18,055**	**33,435**	**479**
Depreciation and amortization expense	2084	3,828	7,125	102	5,105	9,251	132
Finance Costs	4,433	8,259	15,101	217	10,822	20,225	290
Share of profit of entities with joint control	–	–	0	0	–	(16)	(0)
Profit before tax	**1,012**	**1,015**	**841**	**12**	**2,128**	**3,943**	**57**
Tax expense							
Current tax	224	441	560	8	586	1,259	18
Deferred tax	(130)	68	(163)	(2)	142	188	3
Adjustment for tax relating to earlier year/period	3	–	(76)	(1)	–	(16)	(0)
Profit for the year/ period	**915**	**506**	**520**	**7**	**1,400**	**2,512**	**36**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates.*"

Nine months ended December 31, 2018 compared to the nine months ended December 31, 2017

Income

The Group's total income increased by 81% to Rs.38,019 million in the nine months ended December 31, 2018, from Rs.21,048 million in the nine months ended December 31, 2017.

Revenue from operations

The Group's revenue from operations increased by 82% to Rs.34,491 million in the nine months ended December 31, 2018, from Rs.18,925 million in the nine months ended December 31, 2017, primarily due to an increase in revenue from the sale of power. The Group's revenue from the sale of power increased by 84% to Rs.34,416 million in the nine months ended December 31, 2018 from Rs.18,669 million in the nine months ended December 31, 2017 primarily due to the commissioning of new wind and solar energy projects and a longer operational period for some of the wind and solar energy projects as compared to the previous year and due to the acquisition of Ostro Energy.

Revenue from operations from wind power increased by 97% to Rs.25,470 million in the nine months ended December 31, 2018, from Rs.12,961 million in the nine months ended December 31, 2017, primarily due to the longer operational period of several of the Group's wind energy projects in the nine months ended December 31, 2018 compared to the nine months ended December 31, 2017 and the commencement of operations/acquisitions of new wind energy projects. During the nine months ended December 31, 2018, the Group increased the operational capacity of the Group's utility scale wind energy projects to 2,925.35 MW including 286 MW through acquisitions.

Revenue from operations from solar power (including revenue from solar power and sale from engineering, procurement and construction services) increased by 51% to Rs.8,998 million in the nine months ended December 31, 2018, from Rs.5,964 million in the nine months ended December 31, 2017, primarily due to the commencement of operations of new solar energy projects representing an aggregate of 759.00 MW since March 31, 2017. During the nine months ended December 31, 2018, the Group increased the operational capacity of the Group's solar energy projects to 1,241.00 MW.

Revenue from sale of EPC services decreased to Rs.2 million in the nine months ended December 31, 2018, from Rs.159 million in the nine months ended December 31, 2017.

Other income

The Group's other income increased by 66% to Rs.3,528 million in the nine months ended December 31, 2018, from Rs.2,123 million in the nine months ended December 31, 2017, primarily due to an increase in the government grants of generation based incentive by 79% to Rs.1,937 million in the nine months ended December 31, 2018, from Rs.1,082 million in the nine months ended December 31, 2017 resulting from an increase in the operational capacity of wind energy projects. The Group also received profit on sale of mutual funds of Rs.272 million in the nine months ended December 31, 2018, partially offset by a decrease of Rs.15 million in compensation for loss of revenue in the nine months ended December 31, 2018. The Group also received income from leases of Rs.162 million in the nine months ended December 31, 2018.

Total expenses

Total expenses for the Group increased to Rs.4,584 million for the nine months ended December 31, 2018 from Rs.2,993 million for the nine months ended December 31, 2017.

The cost of materials consumed decreased to Rs.2 million for the nine months ended December 31, 2018 from Rs.144 million for the nine months ended December 31, 2017, primarily related to EPC services provided to third party customers.

The Group's employee benefits expense increased by 18% to Rs.737 million for the nine months ended December 31, 2018, from Rs.624 million for the nine months ended December 31, 2017, primarily due to increases in salaries, wages and bonuses.

The Group's other expenses increased by 73% to Rs.3,845 million for the nine months ended December 31, 2018, from Rs.2,225 million for the nine months ended December 31, 2017, primarily due to an increase in operation and maintenance expenses to Rs.2,128 million for the nine months ended December 31, 2018, from Rs.1,194 million for the nine months ended December 31, 2017, as a result of the growth of the Group's project portfolio, and an increase in the Group's legal and professional fees to Rs.725 million for the nine months ended December 31, 2018, from Rs.293 million for the nine months ended December 31, 2017, primarily due to the growth of the Group's project portfolio.

Depreciation and amortization

The Group's depreciation and amortization expense increased by 81% to Rs.9,251 million for the nine months ended December 31, 2018, from Rs.5,105 million for the nine months ended December 31, 2017, primarily due to the higher asset base resulting from new wind and solar energy projects completed and commissioned during this period.

Finance costs

The Group's finance costs increased by 87% to Rs.20,225 million for the nine months ended December 31, 2018, from Rs.10,822 million for the nine months ended December 31, 2017, primarily due to (i) an increase in bank borrowings and other loans for the financing of the Group's new wind and solar energy projects and (ii) an increase in finance costs on general purpose borrowings.

Profit before tax

As a result of the foregoing, the Group's profit before tax increased by 85% to Rs.3,943 million for the nine months ended December 31, 2018, from Rs.2,128 million for the nine months ended December 31, 2017.

Tax expenses

Tax expenses for the Group increased from Rs.728 million for the nine months ended December 31, 2017 to Rs.1,431 million for the nine months ended December 31, 2018, primarily due to an increase of Rs.657 million in current tax (after considering tax for the earlier period) due to an increase in revenue on account of new wind and solar energy projects and an increase in deferred tax expense by Rs.46 million resulting from deferred tax assets created on unabsorbed depreciation and carry forward losses.

Profit for the period

As a result of the foregoing, profit interest for the Group increased from Rs.1,400 million for the nine months ended December 31, 2017 to Rs.2,512 million for the nine months ended December 31, 2018.

Year ended March 31, 2018 compared to the year ended March 31, 2017

Income

The Group's total income increased by 79% to Rs.27,795 million in the year ended March 31, 2018 from Rs.15,508 million in the year ended March 31, 2017.

Revenue from operations

The Group's revenue from operations increased by 88% to Rs.24,617 million in the year ended March 31, 2018 from Rs.13,073 million in the year ended March 31, 2017, primarily due to an increase in revenue from the sale of power. The Group's revenue from the sale of power increased by 84% to Rs.23,908 million in the year ended March 31, 2018 from Rs.12,997 million in the year ended March 31, 2017, primarily due to the commissioning of new wind and solar energy projects and a longer operational period for some of the wind and solar energy projects as compared to the previous year.

Revenue from operations from wind power increased by 50% to Rs.15,255 million in the year ended March 31, 2018 from Rs.10,172 million in the year ended March 31, 2017, primarily due to the longer operational period of several of the Group's wind energy projects in the year ended March 31, 2018 compared to the year ended March 31, 2017 and the commencement of operations/acquisitions of new wind energy projects since March 31, 2017. During the year ended March 31, 2018, the Group increased the operational capacity of its utility scale wind energy projects to 2,637.25 MW including 851.2 MW through acquisitions. On November 15, 2017, the Group completed the acquisition of a portfolio of wind energy projects of KCT with an aggregate of 103.10 MW operational capacity and on March 28, 2018 the Group completed the acquisition of a portfolio of wind and solar energy projects of Ostro Energy with an aggregate of 1,108.10 MW operational and under development capacity.

Revenue from operations from solar power (including revenue from solar power and sale from engineering, procurement and construction services) increased by 223% to Rs.9,362 million in the year ended March 31, 2018 from Rs.2,901 million in the year ended March 31, 2017, primarily due to the commencement of operations of new solar energy projects representing an aggregate of 759.00 MW since March 31, 2017. During the year ended March 31, 2018, the Group increased the operational capacity of the group's solar energy projects to 1,241.00 MW.

Revenue from sale of EPC services increased to Rs.554 million in the year ended March 31, 2018 from Rs.4 million in the year ended March 31, 2017, primarily due to an increase in EPC services to customers.

Other income

The Group's other income increased by 31% to Rs.3,178 million in the year ended March 31, 2018 from Rs.2,435 million in the year ended March 31, 2017, primarily due to an increase in the government grants of generation-based incentive by 62% to Rs.1,271 million in the year ended March 31, 2018 from Rs.783 million in the year ended March 31, 2017, resulting from an increase in the operational capacity of wind energy projects. The Group also received profit on sale of mutual funds of Rs.278 million in the year ended March 31, 2018 partially offset by a decrease of Rs.69 million in compensation for loss of revenue in the year ended March 31, 2018. The Group received a one-time incentive of Rs.20 million in the year ended March 31, 2018 for early commissioning of the Group's Mandamari project and viability gap funding of Rs.288 million in the year ended March 31, 2018 for the Group's Charanka project, of which Rs.25 million was booked as revenue in the year ended March 31, 2018.

Total expenses

The Group's total expenses increased by 97% to Rs.4,728 million in the year ended March 31, 2018 from Rs.2,406 million in the year ended March 31, 2017.

The cost of materials consumed increased to Rs.522 million the year ended March 31, 2018 from Rs.4 million in the year ended March 31, 2017, primarily related to EPC services provided to third party customers.

The Group's employee benefits expense increased by 55% to Rs.796 million the year ended March 31, 2018 from Rs.512 million in the year ended March 31, 2017, primarily due to increases in salaries, wages and bonus and share-based payment for the Group's employees as its employee numbers and related compensation increased.

The Group's other expenses increased by 80% to Rs.3,410 million in the year ended March 31, 2018 from Rs.1,890 million in the year ended March 31, 2017, primarily due to an increase in operation and maintenance expenses to Rs.1,600 million in the year ended March 31, 2018 from Rs.968 million in the year ended March 31, 2017 as a result of the growth of the Group's project portfolio, and an increase in the Group's legal and professional fees to Rs.703 million in the year ended March 31, 2018 from Rs.373 million in the year ended March 31, 2017, primarily on account of acquisition activities and business growth.

Depreciation and amortization

The Group's depreciation and amortization expense increased by 86% to Rs.7,125 million in the year ended March 31, 2018 from Rs.3,828 million in the year ended March 31, 2017, primarily due to the higher asset base resulting from new wind and solar energy projects completed and commissioned during the year.

Finance costs

The Group's finance costs increased by 83% to Rs.15,101 million in the year ended March 31, 2018 from Rs.8,259 million in the year ended March 31, 2017, primarily due to (i) an increase in bank borrowings and other loans for the financing of the Group's new wind and solar energy projects and (ii) an increase in finance costs resulting from amortization of the discount on issue of bonds and the premium on redemption of bonds.

Profit before tax

As a result of the foregoing, the Group's profit before tax decreased by 17% to Rs.841 million in the year ended March 31, 2018 from Rs.1,015 million in the year ended March 31, 2017.

Tax expenses

The Group's tax expense decreased by 37% to Rs.321 million in the year ended March 31, 2018 from Rs.509 million in the year ended March 31, 2017, primarily due to a decrease in deferred tax expense by Rs.231 million resulting from deferred tax assets created on unabsorbed depreciation and carry forward losses, partially offset by an increase of Rs.43 million in current tax (after considering tax for the earlier period).

Profit for the year

Due to the factors discussed above, the Group's profit increased by 3% to Rs.520 million in the year ended March 31, 2018 from Rs.506 million in the year ended March 31, 2017.

Year ended March 31, 2017 compared to the year ended March 31, 2016

Income

The Group's total income increased by 81% to Rs.15,508 million in the year ended March 31, 2017 from Rs.8,581 million in the year ended March 31, 2016.

Revenue from operations

The Group's revenue from operations increased by 113% to Rs.13,073 million in the year ended March 31, 2017 from Rs.6,136 million in the year ended March 31, 2016, primarily due to an increase in the Group's revenue from the sale of power.

The Group's revenue from the sale of power increased by 114% to Rs.12,997 million in the year ended March 31, 2017 from Rs.6,087 million in the year ended March 31, 2016, primarily due to (i) 1,002.90 MW of installed capacity becoming operational during the year ended March 31, 2017 of which 624.50 MW was in wind energy projects and 372.00 MW was in solar energy projects, and (ii) some of the Group's wind and solar energy projects having been operational for a longer period of time compared to the previous year.

Revenue from operations from wind power increased by 82% to Rs.10,172 million in the year ended March 31, 2017 from Rs.5,602 million in the year ended March 31, 2016, primarily due to the longer operational period of several of the Group's wind energy projects in the year ended March 31, 2017 compared to the year ended March 31, 2016 and the commencement of operations of new wind energy projects representing an aggregate of 624.50 MW. During the year ended March 31, 2017, the Group increased the operational capacity of the Group's wind energy projects to 1,499.15 MW, including 12.00 MW through acquisitions. On August 24, 2016, September 16, 2016 and March 25, 2017, respectively, the Group acquired 100% voting shares of Helios Infratech Private Limited, Shruti Power Projects Private Limited and Molagavalli Renewable Private Limited and increased the operational capacity of the Group's wind energy projects by 12.00 MW.

Revenue from operations from solar power (including revenue from solar power and sale from engineering, procurement and construction services) increased to Rs.2,901 million in the year ended March 31, 2017 from Rs.534 million in the year ended March 31, 2016, primarily due to the commencement of operations of new solar energy projects representing an aggregate of 372.00 MW. During the year ended March 31, 2017, the Group increased the operational capacity of the Group's solar energy projects to 482.00 MW, including 30.00 MW through acquisitions. In December 2016, the Group acquired 100% voting shares of Sunsource Energy Services Private Limited and four entities from Vikram Solar Group, and increased the operational capacity of the Group's solar energy projects by 30.00 MW.

Other income

The Group's other income increased by 91% to Rs.2,435 million in the year ended March 31, 2017 from Rs.1,274 million in the year ended March 31, 2016, primarily due to an increase in government grants of generation based incentive of Rs.347 million as a result of increased operational capacity in the year ended March 31, 2017 as compared to year ended March 31, 2016, compensation for loss of revenue of Rs.407 million in the year ended March 31, 2017 resulting from liquidated damages for curtailment recovery, insurance claims of Rs.145 million in the year ended March 31, 2017 and an increase in interest income of Rs.97 million in the year ended March 31, 2017 on account of higher investments in bank deposits.

Exceptional items

The Group had exceptional items of Rs.1,171 million in the year ended March 31, 2016. During this period the Group reached a settlement with certain suppliers/contractors on account of delay in commissioning of projects which resulted in the Group's receipt of liquidated damages of Rs.975 million and interest on advance of Rs.196 million being recognized in our statement of profit and loss for the year ended March 31, 2016.

Total expenses

The Group's total expenses increased by 129% to Rs.2,406 million in the year ended March 31, 2017 from Rs.1,052 million in the year ended March 31, 2016, primarily due to increases in employee benefits expense and other expenses.

The Group's employee benefits expense increased by 214% to Rs.512 million in the year ended March 31, 2017 from Rs.163 million in the year ended March 31, 2016, primarily due to an increase in salaries, wages and bonus of Rs.205 million on account of an increase in the Group's headcount and an increase in share-based payment of Rs.126 million resulting from additional options granted to employees under the Group's employee stock option plans.

The Group's other expenses increased by 113% to Rs.1,890 million in the year ended March 31, 2017 from Rs.889 million in the year ended March 31, 2016, primarily due to (i) an increase in operation and maintenance expenses arising from new wind and solar energy projects commissioned, a 5% annual escalation for existing projects and a 3% cost increase impact on account of goods and service tax (GST), (ii) an increase in legal and professional fees resulting from higher service tax and professional consultant fees for the Group's new wind and solar energy projects, (iii) higher other expenses including travelling and conveyance, insurance, security charges and communication costs as a result of the Group's increased number of wind and solar energy projects.

Depreciation and amortization

The Group's depreciation and amortization expense increased by 84% to Rs.3,828 million in the year ended March 31, 2017 from Rs.2,084 million in the year ended March 31, 2016, primarily due to an increase in the depreciation of plant, property and equipment as a result of the Group's ongoing construction activity and implementation of new projects.

Finance costs

The Group's finance costs increased by 86% to Rs.8,259 million in the year ended March 31, 2017 from Rs.4,433 million in the year ended March 31, 2016, primarily due to (i) an increase in the Group's bank borrowings and other loans, (ii) an increase of Rs.333 million in writing off unamortized borrowing costs on account of refinancing of existing loans, (iii) an increase in finance costs due to amortization of the discount on issue of bonds and the premium on redemption of bonds, and (iv) additional top up loans on refinancing.

Profit before tax

As a result of the foregoing, the Group's profit before tax increased by 0.3% to Rs.1,015 million in the year ended March 31, 2017 from Rs.1,012 million in the year ended March 31, 2016.

Tax expenses

The Group's tax expense increased to Rs.509 million in the year ended March 31, 2017 from Rs.97 million in the year ended March 31, 2016, primarily because of an increase of Rs.217 million in current tax and an increase of Rs.198 million of deferred tax on account of additional depreciation benefit claimed for new wind and solar assets capitalized during the year.

Profit for the year

Due to the factors discussed above, the Group's profit decreased by 45% to Rs.506 million in the year ended March 31, 2017 from Rs.915 million in the year ended March 31, 2016.

Results of Operations – Restricted Group Special Purpose Combined Financial Statements

The following table sets out selected financial data from the Restricted Group's special purpose combined financial statements for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Consolidated Statement of Profit and Loss							
Income							
Revenue from operations	467	1,784	3,793	54	2,760	4,685	67
Other income	99	390	351	5	257	500	7
Exceptional items	120	–	–	–	–	–	–
Total income	**686**	**2,174**	**4,144**	**59**	**3,017**	**5,185**	**74**
Expenses							
Employee benefits expenses							
Other expenses	92	283	512	7	338	795	11
Total expenses	**92**	**283**	**512**	**7**	**338**	**795**	**11**
Earnings before interest, tax, depreciation and amortization (EBITDA)	**594**	**1,891**	**3,632**	**52**	**2,679**	**4,390**	**63**
Depreciation and amortization expense	244	494	1,112	16	774	1,391	20
Finance Costs	472	1,086	1,942	28	1,371	2,389	34
Profit/(loss) before tax	**(122)**	**311**	**578**	**8**	**534**	**610**	**9**
Tax expense							
Current tax	2	57	127	2	100	105	2
Deferred tax	(40)	254	(79)	(1)	70	227	3
Tax for earlier years	–	–	6	0	6	(0)	–
Profit/(loss) for the year/period	**(84)**	**0**	**524**	**7**	**358**	**278**	**4**

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "*Exchange Rates*."

The following table sets forth a breakdown of the Restricted Group's revenue from operations for the period indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Sale of power	467	1,784	3,793	54	2,760	4,685	67
Total revenue from operations	467	1,784	3,793	54	2,760	4,685	67

Nine months ended December 31, 2018 compared to the nine months ended December 31, 2017

Income

The Restricted Group's total income increased by 72% to Rs.5,185 million in the nine months ended December 31, 2018, from Rs.3,017 million in the nine months ended December 31, 2017.

Revenue from operations

The Restricted Group's revenue from operations increased by 70% to Rs.4,685 million in the nine months ended December 31, 2018, from Rs.2,760 million in the nine months ended December 31, 2017, primarily due to an increase in revenue from the sale of power. The Restricted Group's revenue from the sale of power increased by 70% to Rs.4,685 million in the nine months ended December 31, 2018 from Rs.2,760 million in the nine months ended December 31, 2017 primarily due to the commissioning of new wind and solar energy projects and a longer operational period for some of the wind and solar energy projects as compared to the previous year.

Revenue from operations from wind power increased by 51% to Rs.1,969 million in the nine months ended December 31, 2018, from Rs.1,307 million in the nine months ended December 31 2017, primarily due to acquisitions of new wind energy projects since December 31, 2017. During the nine months ended December 31, 2018, the Restricted Group increased the operational capacity of the Restricted Group's utility scale wind energy projects to 281.70 MW including 60 MW through acquisitions.

Revenue from operations from solar power increased by 87% to Rs.2,716 million in the nine months ended December 31, 2018, from Rs.1,453 million in the nine months ended December 31, 2017, primarily due to commencement of operations of new solar energy projects and a longer operational period for some of the solar energy projects as compared to the previous year. During the nine months ended December 31, 2018, the Restricted Group increased the operational capacity of the Restricted Group's solar energy projects to 354 MW.

Other income

The Restricted Group's other income increased by 95% to Rs.500 million in the nine months ended December 31, 2018, from Rs.257 million in the nine months ended December 31, 2017, primarily due to an increase in the interest income on fixed deposits with banks by 67% to Rs.155 million in the nine months ended December 31, 2018, from Rs.93 million in the nine months ended December 31, 2017 and income from leases of Rs.162 million in the nine months ended December 31, 2018.

Total expenses

The Restricted Group's total expenses increased by 135% to Rs.795 million for the nine months ended December 31, 2018, from Rs.338 million for the nine months ended December 31, 2017, primarily due to an increase in operation and maintenance expenses to Rs.427 million for the nine months ended December 31, 2018, from Rs.133 million for the nine months ended December 31, 2017, as a result of the growth of the Restricted Group's project portfolio, and an increase in the Restricted Group's legal and professional fees to Rs.117 million for the nine months ended December 31, 2018, from Rs.16 million for the nine months ended December 31, 2017, primarily on account of consultancy charges for Raichur and Ittigi projects.

Depreciation and amortization

The Restricted Group's depreciation and amortization expense increased by 80% to Rs.1,391 million for the nine months ended December 31, 2018, from Rs.774 million for the nine months ended December 31, 2017, primarily due to the higher asset base resulting from new wind and solar energy projects completed and commissioned after December 31, 2017.

Finance costs

The Restricted Group's finance costs increased by 74% to Rs.2,389 million for the nine months ended December 31, 2018, from Rs.1,371 million for the nine months ended December 31, 2017, primarily due to an increase in bank borrowings and other loans for the financing of the Restricted Group's new wind and solar energy projects.

Profit before tax

As a result of the foregoing, the Restricted Group's profit before tax increased by 14% to Rs.610 million for the nine months ended December 31, 2018, from Rs.534 million for the nine months ended December 31, 2017.

Tax expenses

Tax expenses for the Restricted Group increased from Rs.176 million for the nine months ended December 31, 2017 to Rs.332 million for the nine months ended December 31, 2018, primarily due to an increase in deferred tax expense by Rs.157 million resulting from deferred tax assets created on unabsorbed depreciation and carry forward losses.

Profit for the period

As a result of the foregoing, profit for the Restricted Group reduced from Rs.358 million for the nine months ended December 31, 2017 to Rs.278 million for the nine months ended December 31, 2018.

Year ended March 31, 2018 compared to the year ended March 31, 2017

Income

The Restricted Group's total income increased by 91% to Rs.4,144 million in the year ended March 31, 2018 from Rs.2,174 million in the year ended March 31, 2017.

Revenue from operations

The Restricted Group's revenue from operations increased by 113% to Rs.3,793 million in the year ended March 31, 2018 from Rs.1,784 million in the year ended March 31, 2017, due to an increase in revenue from the sale of power on account of commissioning of new wind and solar energy projects and a longer operational period for some of the wind and solar energy projects as compared to the previous year.

Revenue from operations from wind power decreased by 11% to Rs.1,496 million in the year ended March 31, 2018 from Rs.1,678 million in the year ended March 31, 2017, primarily due to lower PLF in year ending March 31, 2018.

Revenue from operations from solar power increased to Rs.2,297 million in the year ended March 31, 2018 from Rs.106 million in the year ended March 31, 2017, primarily due to the commencement of operations of new solar energy projects representing an aggregate of 304 MW since March 31, 2017. During the year ended March 31, 2018, the Restricted Group increased the operational capacity of its solar energy projects to 354 MW.

Other income

The Restricted Group's other income decreased by 10% to Rs.351 million in the year ended March 31, 2018 from Rs.390 million in the year ended March 31, 2017, primarily due to (i) income of Rs.20 million for foreign exchange gain in the year ended March 31, 2017, (ii) Rs.56 million for a damage claim for loss of revenue in the year ended March 31, 2017, (iii) decrease by Rs.10 million for an insurance claim in year ended March 31, 2017, and decrease in government grant income for generation based incentive to Rs.130 million in year ended March 31, 2018 from Rs.144 million in year ended March 31, 2017 due to lower PLF in year ended March 31, 2018, partially offset by an increase in interest income on loans to related parties of Rs.55 million in year ended March 31, 2018.

Total expenses

The Restricted Group's total expenses increased by 81% to Rs.512 million in the year ended March 31, 2018 from Rs.283 million in the year ended March 31, 2017 primarily due to an increase in operation and maintenance expenses to Rs.201 million in the year ended March 31, 2018 from Rs.133 million in the year ended March 31, 2017 as a result of the growth of the Restricted Group's project portfolio, an increase in management shared services cost to Rs.167 million in the year ended March 31, 2018 from Rs.68 million in the year ended March 31, 2017 and an increase in its legal and professional fees to Rs.50 million in the year ended March 31, 2018 from Rs.27 million in the year ended March 31, 2017, primarily on account of acquisition activities and business growth.

Depreciation and amortization

The Restricted Group's depreciation expense increased by 125% to Rs.1,112 million in the year ended March 31, 2018 from Rs.494 million in the year ended March 31, 2017, primarily due to the higher asset base resulting from new wind and solar energy projects completed and commissioned during the year.

Finance costs

The Restricted Group's finance costs increased by 79% to Rs.1,942 million in the year ended March 31, 2018 from Rs.1,086 million in the year ended March 31, 2017, primarily due to an increase in bank borrowings and other loans for the financing of the Restricted Group's new wind and solar energy projects.

Profit before tax

As a result of the foregoing, the Restricted Group's profit before tax increased by 86% to Rs.578 million in the year ended March 31, 2018 from Rs.311 million in the year ended March 31, 2017.

Tax expenses

The Restricted Group's tax expense decreased by 83% to Rs.54 million in the year ended March 31, 2018 from Rs.311 million in the year ended March 31, 2017, primarily due to a decrease in deferred tax expense by Rs.333 million resulting from deferred tax assets created on unabsorbed depreciation and carry forward losses, partially offset by an increase of Rs.76 million in current tax (after considering tax for earlier years).

Profit for the year

Due to the factors discussed above, the Restricted Group's profit for the year increased to Rs.524 million in the year ended March 31, 2018 from Rs.0 million in the year ended March 31, 2017.

Year ended March 31, 2017 compared to the year ended March 31, 2016

Income

The Restricted Group's total income increased by 217% to Rs.2,174 million in the year ended March 31, 2017 from Rs.686 million in the year ended March 31, 2016.

Revenue from operations

The Restricted Group's revenue from operations increased by 282% to Rs.1,784 million in the year ended March 31, 2017 from Rs.467 million in the year ended March 31, 2016, due to (i) an increase in the Restricted Group's revenue from the sale of power primarily due to commencement of operations of new solar energy capacity becoming operational during the year ended March 31, 2017, and (ii) some of the Restricted Group's wind energy projects having been operational for a longer period of time compared to the previous year.

Revenue from operations from wind power increased by 259% to Rs.1,678 million in the year ended March 31, 2017 from Rs.467 million in the year ended March 31, 2016, primarily due to the longer operational period of several of the Restricted Group's wind energy projects in the year ended March 31, 2017 compared to the year ended March 31, 2016.

Revenue from operations from solar power increased to Rs.106 million in the year ended March 31, 2017 due to the commencement of operations of new solar energy projects for part of the year representing an aggregate of 50 MW.

Other income

The Restricted Group's other income increased by 294% to Rs.390 million in the year ended March 31, 2017 from Rs.99 million in the year ended March 31, 2016, primarily due to an increase in interest income of Rs.58 million in the year ended March 31, 2017 on account of higher investments in bank deposits, an increase in government grants of generation based incentive of Rs.102 million in the year ended March 31, 2017, one time income for damage claim for loss of revenue of Rs.56 million resulting from liquidated damages for curtailment recovery and insurance claims of Rs.13 million in the year ended March 31, 2017.

Exceptional items

The Restricted Group had exceptional items of Rs.120 million in the year ended March 31, 2016. During this period we reached a settlement with certain suppliers/contractors on account of delay in commissioning of projects which resulted in the Restricted Group's receipt of liquidated damages of Rs.120 million being recognized in our statement of profit and loss for year ended March 31, 2016.

Total expenses

The Restricted Group's total expenses increased by 208% to Rs.283 million in the year ended March 31, 2017 from Rs.92 million in the year ended March 31, 2016 primarily due to (i) an increase in operation and maintenance expenses arising from new wind and solar energy projects commissioned, a 5% annual escalation for existing projects and a 3% cost increase impact on account of goods and service tax (GST), (ii) an increase in legal and professional fees resulting from higher service tax and professional consultant fees for the Restricted Group's new wind and solar energy projects, (iii) an increase in management shared services cost due to increase in operational capacity and (iv) higher other expenses including travelling and conveyance, insurance, security charges and communication costs as a result of the Restricted Group's increased number of wind and solar energy projects.

Depreciation and amortization

The Restricted Group's depreciation and amortization expense increased by 102% to Rs.494 million in the year ended March 31, 2017 from Rs.244 million in the year ended March 31, 2016, primarily due to an increase in the deprecation of plant, property and equipment as a result of the Restricted Group's ongoing construction activity and implementation of new projects.

Finance costs

The Restricted Group's finance costs increased by 130% to Rs.1,086 million in the year ended March 31, 2017 from Rs.472 million in the year ended March 31, 2016, primarily due to an increase of Rs.565 million in the Restricted Group's interest expense on term loans and Rs.50 million in interest on a loan from related parties.

Profit/(loss) before tax

As a result of the foregoing, the Restricted Group's profit before tax was Rs.311 million in the year ended March 31, 2017 as compared to a loss before tax of Rs.122 million in the year ended March 31, 2016.

Tax expenses

The Restricted Group's tax expense increased to Rs.311 million in the year ended March 31, 2017 from Rs.(38) million in the year ended March 31, 2016, primarily because of an increase of Rs.294 million of deferred tax on account of additional depreciation benefit claimed for new wind and solar assets capitalized during the year and an increase of Rs.55 million in current tax.

Profit/(loss) for the year

Due to the factors discussed above, the Restricted Group's profit was Rs.0 million in the year ended March 31, 2017 as compared to a loss of Rs.84 million in the year ended March 31, 2016.

Liquidity and Capital Resources

Overview

The Group's primary sources of liquidity has historically been equity investment by the Group's shareholders, cash generated from operations, capital markets funding and a range of borrowing from banks and other financial institutions. The Group's ordinary course liquidity requirements relate to investments in existing and new projects and related capital expenditure, acquisitions, operation and maintenance of its assets, servicing of its debt, funding its working capital needs, and general corporate purposes.

The Group expects that cash generated from operations, funds raised in the capital markets and continued borrowings from banks and other financial institutions will continue to be the Group's primary sources of liquidity. The Group evaluates its funding requirements periodically in light of its net cash flow from operating activities, the progress of its various projects, acquisition opportunities and market conditions. See "– *Indebtedness*" below for further information. The Group believes that the expected cash to be generated from its business operations, its credit facilities, project finance lines and the portion of proceeds of the offering of the Notes hereby not utilized for refinancing existing indebtedness, will be sufficient to finance its working capital requirements for the next 12 months.

The Restricted Group's primary sources of liquidity has historically been investment by the Company, cash generated from operations, and a range of borrowing from banks and other financial institutions. The Restricted Group's ordinary course liquidity requirements relate to investments in existing projects and related capital expenditure, operation and maintenance of its assets, servicing of its debt, funding its working capital needs, and general corporate purposes.

The Restricted Group expects that cash generated from operations, funds raised in this Notes offering and continued borrowings from banks and other financial institutions will continue to be the Restricted Group's primary sources of liquidity. The Restricted Group evaluates its funding requirements periodically in light of its net cash flow from operating activities, the progress of its various projects and market conditions. See "– *Indebtedness*" below for further information. The Restricted Group believes that the expected cash to be generated from its business operations, its credit facilities and project finance lines, will be sufficient to finance its working capital requirements for the next 12 months.

Cash Flows of the Group

The Group's summarized statement of consolidated cash flows is set forth below:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	**2017**	**2018**	**2018**	**2017**	**2018**	**2018**
	(Rs. in millions)			(US$ in millions)[1]	(Rs. in millions)		(US$ in millions)[1]
Net cash generated from operating activities	3,558	5,303	19,912	285	12,739	20,897	299
Net cash (used in) investing activities........	(43,523)	(56,226)	(104,578)	(1,498)	(57,416)	(35,044)	(502)
Net cash generated from financing activities........	35,723	74,430	71,441	1,024	21,733	6,684	96
Net (decrease)/increase in cash and cash equivalents...................	(4,242)	23,507	(13,225)	(189)	(22,943)	(7,463)	(107)
Cash and cash equivalents at the beginning of the period...........................	7,874	3,632	27,139	389	27,139	13,914	199
Cash and cash equivalents at the end of the period...........................	3,632	27,139	13,914	199	4,196	6,451	92

(1) Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018.

Net cash generated from operating activities

The Group's net cash generated from operating activities was Rs.20,897 million in the nine months ended December 31, 2018. The Group's operating profit before working capital changes was Rs.32,755 million in the nine months ended December 31, 2018. The changes in the Group's working capital in the nine months ended December 31, 2018 primarily consisted of (i) a decrease in other current financial assets of Rs.3,068 million primarily related to an increase in unbilled revenue and advances recoverable in cash, (ii) an increase in prepayments of Rs.1,950 million primarily related to premium paid for leasehold land acquired during the year as well as increased business, (iii) an increase in inventories of Rs.474 million, (iv) a decrease in other current liabilities of Rs.885 million, (v) an increase in provisions of Rs.13 million, (vi) an increase in trade payables of Rs.728 million, (vii) an increase in other non-current assets of Rs.303 million and (viii) an increase in other current assets of Rs.359 million.

The Group's net cash generated from operating activities was Rs.12,739 million in the nine months ended December 31, 2017. The Group's operating profit before working capital changes was Rs.17,682 million in the nine months ended December 31, 2017. The changes in the Group's working capital in the nine months ended December 31, 2017 primarily consisted of (i) an increase in other current financial assets of Rs.825 million primarily related to an increase in unbilled revenue and advances recoverable in cash, (ii) an increase in prepayments of Rs.10 million primarily related to premium paid for leasehold land acquired during the year as well as increased business, (iii) an increase in inventories of Rs.24 million,

(iv) a decrease in other current liabilities of Rs.762 million, (v) a decrease in provisions of Rs.37 million, (vi) an increase in trade payables of Rs.1,708 million, (vii) a decrease in other non-current assets of Rs.107 million, (viii) an increase in trade receivables of Rs.3,209 million and (ix) an increase in other current assets of Rs.1,220 million.

The Group's net cash generated from operating activities was Rs.19,912 million in the year ended March 31, 2018. The Group's operating profit before working capital changes was Rs.22,189 million in the year ended March 31, 2018. The changes in the Group's working capital in the year ended March 31, 2018 primarily consisted of (i) an increase in other current financial assets of Rs.1,353 million primarily related to an increase in unbilled revenue and advances recoverable in cash, (ii) an increase in prepayments of Rs.323 million primarily related to premium paid for leasehold land acquired during the year as well as increased business, (iii) an increase in inventories of Rs.140 million, (iv) a decrease in other current liabilities of Rs.148 million, (v) a decrease in provisions of Rs.108 million, (vi) an increase in trade payables of Rs.280 million (vii) a decrease in other current assets of Rs.353 million, (viii) a decrease in other non-current assets of Rs.279 million and (ix) direct taxes paid of Rs.1,118 million.

The Group's net cash generated from operating activities was Rs.5,303 million in the year ended March 31, 2017. The Group's operating profit before working capital changes was Rs.12,482 million in the year ended March 31, 2017. The changes in the Group's working capital in the year ended March 31, 2017, primarily consisted of (i) an increase in other current assets of Rs.1,680 million primarily due to advances to vendors, (ii) an increase in trade receivables of Rs.1,639 million due to an increase in the Group's operational capacity, (iii) an increase in other current financial assets of Rs.1,211 million due to an increase in unbilled revenue from additional operational capacity, (iv) an increase in prepayments of Rs.843 million, partially offset by an increase in trade payables of Rs.2,034 million resulting from the Group's increased operational capacity and an increase in other current liabilities of Rs.818 million and (v) direct taxes paid of Rs.804 million.

The Group's net cash generated from operating activities was Rs.3,558 million in the year ended March 31, 2016. The Group's operating profit before working capital changes was Rs.6,897 million in the year ended March 31, 2016. The changes in the Group's working capital in the year ended March 31, 2016 primarily consisted of (i) an increase in trade receivables of Rs.2,466 million due to an increase in the Group's operational capacity and a lower level of collection of trade receivables from DISCOMs, (ii) an increase in other current assets of Rs.355 million, (iii) an increase in other current financial assets of Rs.340 million and (iv) direct taxes paid of Rs.484 million.

Net cash used in investing activities

The Group's net cash used in investing activities was Rs.35,044 million in the nine months ended December 31, 2018. This was due to purchases of property, plant and equipment including capital work in progress, intangibles including intangible asset under development, capital creditors and capital advances of Rs.39,545 million in connection with the Group's increased operational capacity, purchase consideration paid of Rs.792 million, net investments in deposits having a residual maturity of more than three months of Rs.5,128 million, partially offset by redemption of mutual funds of Rs.9,540 million and interest received of Rs.881 million.

The Group's net cash used in investing activities was Rs.57,415 million in the nine months ended December 31, 2017. This was due to purchases of property, plant and equipment including capital work in progress, intangibles including intangible asset under development, capital creditors and capital advances of Rs.40,702 million in connection with the Group's increased operational capacity, purchase consideration paid of Rs.4,349 million, net investments in deposits having a residual maturity of more than three months of Rs.5,103 million and investments in mutual funds of Rs.8,019 million, partially offset by interest received of Rs.758 million.

The Group's net cash used in investing activities was Rs.104,578 million in the year ended March 31, 2018. This was due to purchases of property, plant and equipment including CWIP and capital advances of Rs.52,297 million in connection with the Group's increased operational capacity, purchase consideration paid for acquisitions of KCT, Zemira Renewable Private Limited and Ostro Energy (net of cash acquired) of Rs.43,128 million, net investments in deposits having a residual maturity of more than three months of Rs.2,821 million and investments in mutual funds of Rs.7,340 million, partially offset by interest received of Rs.1,009 million.

The Group's net cash used in investing activities was Rs.56,226 million in the year ended March 31, 2017. This was primarily due to purchases of property, plant and equipment including CWIP and capital advances of Rs.64,149 million in connection with the Group's increased operational capacity, purchase consideration paid for acquisitions of Shruti Power Projects Private Limited, Helios Infratech Private Limited, Molagavalli Renewable Private Limited and four entities from Vikram Solar Group of Rs.1,243 million, partially offset by net redemption of deposits having a residual maturity of more than three months of Rs.7,878 million and interest received of Rs.1,183 million.

The Group's net cash used in investing activities was Rs.43,523 million in the year ended March 31, 2016. This was primarily due to purchases of property, plant and equipment including CWIP and capital advances of Rs.34,651 million in connection with the increase in the Group's operational capacity and net investments in deposits having a residual maturity of more than three months of Rs.9,512 million, partially offset by interest received of Rs.640 million.

Net cash from financing activities

The Group's net cash generated from financing activities was Rs.6,684 million in the nine months ended December 31, 2018. This was primarily due to proceeds from long-term borrowings of Rs.58,445 million, proceeds from short-term borrowings of Rs.33,556 million, proceeds from issue of equity shares (including premium) (net of share issue expenses) of Rs.557 million, and government grants received of Rs.47 million, partially offset by repayment of long-term borrowings of Rs.41,723 million, repayment of short-term borrowings of Rs.26,605 million and interest paid of Rs.18,167 million.

The Group's net cash generated from financing activities was Rs.21,733 million in the nine months ended December 31, 2017. This was primarily due to proceeds from long-term borrowings of Rs.51,722 million, government grants received of Rs.281 million, partially offset by repayment of long-term borrowings of Rs.12,887 million, net repayment of short-term borrowings of Rs.8,485 million and interest paid of Rs.8,888 million.

The Group's net cash generated from financing activities was Rs.71,441 million in the year ended March 31, 2018. This was primarily due to proceeds from long-term borrowings of Rs.90,781 million, proceeds from short-term borrowings of Rs.4,080 million and proceeds from issue of equity shares (including premium) (net of share issue expenses) of Rs.16,053 million, partially offset by repayment of long-term borrowings of Rs.23,061 million, repayment of short-term borrowings of Rs.1,772 million and interest paid of Rs.14,641 million.

The Group's net cash generated from financing activities was Rs.74,430 million in the year ended March 31, 2017. This was primarily due to proceeds from long-term borrowings of Rs.80,239 million, proceeds from issue of equity shares (including premium) of Rs.19,877 million and proceeds from short-term borrowings of Rs.11,568 million, partially offset by repayment of long-term borrowings of Rs.30,573 million and interest paid of Rs.6,695 million.

The Group's net cash generated from financing activities was Rs.35,723 million in the year ended March 31, 2016. This was primarily due to proceeds from long-term borrowings of Rs.46,066 million, proceeds from short-term borrowings of Rs.2,938 million and proceeds from issue of equity shares (including premium) of Rs.13,204 million, partially offset by repayment of long-term borrowings of Rs.22,393 million and interest paid of Rs.4,092 million.

Cash Flows of the Restricted Group

The Restricted Group's summarized statement of combined cash flows is set forth below:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)(1)	(Rs. in millions)		(US$ in millions)(1)
Net cash generated from operating activities	11	1,719	3,100	44	1,754	2,905	42
Net cash used in investing activities	(6,072)	(12,155)	(14,433)	(207)	(8,390)	(4,350)	(62)
Net cash generated from financing activities	6,376	12,410	9,370	134	5,222	2,330	33
Net (decrease)/increase in cash and cash equivalents	315	1,974	(1,963)	(29)	(1,414)	885	13
Cash and cash equivalents at the beginning of the period	133	448	2,422	35	2,422	459	6
Cash and cash equivalents at the end of the period	448	2,422	459	7	1,008	1,344	19

(1) Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018.

Net cash generated from operating activities

The Restricted Group's net cash generated from operating activities was Rs.2,905 million in the nine months ended December 31, 2018. The Group's operating profit before working capital changes was Rs.4,229 million in the nine months ended December 31, 2018. The changes in the Restricted Group's working capital in the nine months ended December 31, 2018 primarily consisted of (i) an increase in trade receivables of Rs.1,554 million, (ii) an increase in prepayments of Rs.139 million, (iii) an decrease in financial asset of Rs.293 million, (iv) a decrease in other liabilities of Rs.53 million, (v) an increase in trade payables of Rs.377 million and (vi) an increase in other assets of Rs.106 million.

The Restricted Group's net cash generated from operating activities was Rs.1,754 million in the nine months ended December 31, 2017. The Restricted Group's operating profit before working capital changes was Rs.2,576 million in the nine months ended December 31, 2017. The changes in the Restricted Group's working capital in the nine months ended December 31, 2017 primarily consisted of (i) an increase in trade receivables of Rs.656 million, (ii) an increase in financial assets of Rs.26 million, (iii) a decrease in other liabilities of Rs.28 million, (iv) an increase in trade payables of Rs.64 million and (v) an increase in other assets of Rs.34 million.

The Restricted Group's net cash generated from operating activities was Rs.3,100 million in the year ended March 31, 2018. The Restricted Group's operating profit before working capital changes was Rs.3,463 million in the year ended March 31, 2018. The changes in the Restricted Group's working capital in the year ended March 31, 2018 primarily consisted of (i) an increase in trade receivables of Rs.402 million due to an increase in the Group's operational capacity, (ii) an increase in other current financial assets of Rs.57 million primarily related to an increase in unbilled revenue and advances recoverable in cash, partially offset by increase in trade payables of Rs.239 million and (iii) direct taxes paid of Rs.167 million.

The Restricted Group's net cash generated from operating activities was Rs.1,719 million in the year ended March 31, 2017. The Restricted Group's operating profit before working capital changes was Rs.1,705 million in the year ended March 31, 2017. The changes in the Restricted Group's working capital in the year ended March 31, 2017, primarily consisted of (i) an increase in other assets of Rs.167 million, (ii) an increase in trade receivables of Rs.161 million due to an increase in the Restricted Group's operational capacity, (iii) an increase in financial assets of Rs.205 million due to an increase in unbilled revenue from additional operational capacity and (iv) an increase in prepayments of Rs.24 million, partially offset by an increase in trade payables of Rs.230 million resulting from the Restricted Group's increased operational capacity, an increase in other financial liabilities of Rs.501 million and increase in other liabilities of Rs.97 million and (v) direct taxes paid of Rs.257 million.

The Restricted Group's net cash generated from operating activities was Rs.11 million in the year ended March 31, 2016. The Restricted Groups' operating profit before working capital changes was Rs.496 million in the year ended March 31, 2016. The changes in the Restricted Group's working capital in the year ended March 31, 2016 primarily consisted of (i) an increase in trade receivables of Rs.313 million due to an increase in the Restricted Group's operational capacity and a lower level of collection of trade receivables from DISCOMs, (ii) an increase in financial assets of Rs.298 million, (iii) a decrease in other assets of Rs.40 million, (iv) increase in trade payables of Rs.48 million and (v) increase in other liabilities of Rs.78 million and direct taxes paid of Rs.32 million.

Net cash used in investing activities

The Restricted Group's net cash used in investing activities was Rs.4,350 million in the nine months ended December 31, 2018. This was due to purchases of property, plant and equipment including capital work in progress, capital creditors and capital advances of Rs.5,080 million in connection with the Restricted Group's increased operational capacity, loans given to related parties of Rs.253 million, partially offset by net redemption in deposits having a residual maturity of more than three months of Rs.479 million, redemption in mutual funds of Rs.366 million, interest received of Rs.133 million, and loans of Rs.5 million repaid by related parties.

The Restricted Group's net cash used in investing activities was Rs.8,390 million in the nine months ended December 31, 2017. This was due to purchases of property, plant and equipment including capital work in progress, capital creditors and capital advances of Rs.6,973 million in connection with the Restricted Group's increased operational capacity, net investments in deposits having a residual maturity of more than three months of Rs.647 million, a loan given to related party of Rs.930 million, partially offset by interest received of Rs.109 million and a loan repaid by related party of Rs.50 million.

The Restricted Group's net cash used in investing activities was Rs.14,433 million in the year ended March 31, 2018. This was due to purchases of property, plant and equipment including capital work in progress, capital creditors and capital advances of Rs.11,277 million in connection with the Restricted Group's increased operational capacity, net investments in deposits having a residual maturity of more than three months of Rs.1,781 million, loan to fellow subsidiaries-redeemable non-cumulative preference shares for Rs.1,200 million, loan given to related parties of Rs.930 million and investments in mutual funds of Rs.350 million, partially offset by interest received of Rs.190 million and loan repaid by related parties for Rs.915 million.

The Restricted Group's net cash used in investing activities was Rs.12,155 million in the year ended March 31, 2017. This was primarily due to purchases of property, plant and equipment including capital work in progress, capital creditors and capital advances of Rs.12,858 million in connection with the Restricted Group's increased operational capacity, partially offset by net redemption of deposits having a residual maturity of more than three months of Rs.553 million and interest received of Rs.150 million.

The Restricted Group's net cash used in investing activities was Rs.6,072 million in the year ended March 31, 2016. This was primarily due to purchases of property, plant and equipment including capital work in progress, capital creditors and capital advances of Rs.5,165 million in connection with the Restricted Group's increased operational capacity and net investment in deposits having a residual maturity of more than three months of Rs.938 million, offset by interest received of Rs.31 million.

Net cash from financing activities

The Restricted Group's net cash generated from financing activities was Rs.2,330 million in the nine months ended December 31, 2018. This was primarily due to proceeds from long-term borrowings of Rs.5,728 million, proceeds from short-term borrowings of Rs.7,728 million, proceeds from issue of equity shares (including premium) (net of share issue expenses) of Rs.2 million, partially offset repayment of long-term borrowings of Rs.4,248 million, repayment of short-term borrowings of Rs.4,820 million and interest paid of Rs.2,060 million.

The Restricted Group's net cash generated from financing activities was Rs.5,222 million in the nine months ended December 31, 2017. This was primarily due to proceeds from long-term borrowings of Rs.2,900 million, proceeds from short-term borrowings of Rs.7,385 million, proceeds from issue of equity and preference shares (including premium) (net of share issue expenses) of Rs.820 million, partially offset by repayment of long-term borrowings of Rs.255 million, repayment of short-term borrowings and a related party loan of Rs.4,520 million and interest paid of Rs.1,108 million.

The Restricted Group's net cash generated from financing activities was Rs.9,370 million in the year ended March 31, 2018. This was primarily due to proceeds from long-term borrowings of Rs.5,915 million, proceeds from short-term borrowings of Rs.7,026 million, proceeds from issue of equity shares (including premium) (net of share issue expenses) of Rs.510 million and proceeds from issue of preference shares (including premium) of Rs.410 million, partially offset by repayment of long-term borrowings of Rs.742 million, repayment of short-term borrowings of Rs.2,095 million and interest paid of Rs.1,654 million.

The Restricted Group's net cash generated from financing activities was Rs.12,410 million in the year ended March 31, 2017. This was primarily due to proceeds from long-term borrowings of Rs.7,801 million, proceeds from issue of equity shares (including premium) of Rs.1,001 million, proceeds from issue of preference shares (including premium) of Rs.1,137 million, proceeds from issue of debentures of Rs.401 million and proceeds from short-term borrowings of Rs.6,099 million, partially offset by repayment of long-term borrowings of Rs.147 million, repayment of short-term borrowings of Rs.2,887 million, interest paid of Rs.945 million and refund of share application money of Rs.50 million.

The Restricted Group's net cash generated from financing activities was Rs.6,376 million in the year ended March 31, 2016. This was primarily due to proceeds from long-term borrowings of Rs.5,329 million, proceeds from short-term borrowings of Rs.985 million and proceeds from issue of equity shares (including premium) of Rs.27 million, proceeds from issue of preference shares (including premium) of Rs.769 million, receipt of share application money of Rs.50 million, partially offset by repayment of long-term borrowings of Rs.163 million, repayment of short-term borrowings of Rs.291 million and interest paid of Rs.330 million.

Capital Expenditures

The Group spent Rs.34,651 million, Rs.64,149 million, Rs.52,297 million, Rs.40,702 million and Rs.39,545 million in addition to fixed assets including movement in capital work in progress and capital advances as per the cash flow statement of the respective period in the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2017 and 2018, respectively. The Restricted Group spent Rs.5,165 million, Rs.12,858 million, Rs.11,277 million, Rs.6,973 million and Rs.5,080 million in addition to fixed assets including movement in capital work in progress and capital advances as per the cash flow statement of the respective period in the years ended March 31, 2016, 2017 and 2018 and the nine months ended December 31, 2017 and 2018, respectively.

The Group's capital expenditures include expenditures on property, plant and equipment, capital work in progress and intangible assets. The Group's property, plant and equipment primarily include freehold land, building temporary structure, plant and equipment, office equipment, computers and furniture and fixtures. Projects under construction as at the balance sheet date are shown as capital work in progress. The Group's intangible assets primarily include computer software and customer contracts.

Indebtedness

As at December 31, 2018, the Group and the Restricted Group had total borrowings (which consisted of long-term borrowings, short-term borrowings and current maturities of long-term borrowings) of Rs.264,928 million and Rs.34,641 million, respectively. For further details on the borrowings of the Restricted Group please see "*Description of Other Indebtedness.*"

The Group's borrowings at the project level are typically secured by a lien on the assets of the project to which they relate and a pledge of shares of The Group's related project subsidiary. The Group's loan agreements generally contain covenants, including limitations on the use of proceeds and restrictions on indebtedness, liens, asset sales, investments, transfer or ownership interests and certain changes in business. These covenants may limit the Group's subsidiaries' ability to pay dividends or make loans or advances to the Group, subject to the lender's waiver or consent.

Contractual Obligations and Contingent Liabilities

In addition to payment obligations under borrowings, the Group also has continuing obligations to make certain payments. As at December 31, 2018, capital commitment (net of advances) pertaining to commissioning of wind and solar energy projects for the Group and the Restricted Group aggregated Rs.75,597 million and nil, respectively. The Group has made, and expects to continue to make, substantial capital expenditures in connection with the construction and development of the Group's projects.

As at December 31, 2018, the Group had the following contractual obligations:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Unlisted redeemable, non-cumulative and non-convertible debentures	–	–	–	57,530	25,597	83,128
Compulsorily convertible debentures	–	–	–	–	679	679
Term loan from banks*	–	–	–	58,715	77,550	136,266
Term loan from financial institutions*	–	–	–	27,513	70,631	98,143
Bonds	–	–	–	40,955	–	40,955
Convertible preference shares	–	–	–	–	–	–
Short term borrowings						
Acceptances	–	5,973	7,933	–	–	13,907
Commercial papers (unsecured)	–	2,862	–	–	–	2,862
Loan from related party (unsecured)	573	–	–	–	–	573
Loan from body corporate	47	–	–	–	–	47
Buyer's/Supplier's credit	–	2,154	2,918	–	–	5,072
Working capital demand loans	–	2,000	2,440	–	–	4,440
Other financial liabilities						
Current maturities of long term borrowings*	–	8,566	30,048	–	–	38,614
Interest accrued but not due on borrowings	–	2,264	–	–	–	2,264
Interest accrued but not due on debentures	–	705	–	–	–	705
Mark to market on derivatives	–	695	–	–	–	695
Capital Creditors	–	7,443	–	–	–	7,443
Purchase consideration payable	–	1,023	–	–	–	1,023
Trades payables						
Trades payables	–	3,463	–	–	–	3,463

* Including future interest payments.

As at December 31, 2018, the Restricted Group had the following contractual obligations:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Compulsorily convertible debentures	–	–	–	–	408	408
Redeemable non-cumulative preference shares	–	–	–	–	50	50
Term loan from banks*	–	–	–	12,071	15,461	27,532
Term loan from financial institutions*	–		–	227	410	637
Short term borrowings						
Loans from related party	5,639	–	–	–	–	5,639
Acceptances	–	1,726	–	–	–	1,726
Loan from body corporate	–	0	–	–	–	0
Buyer's/Supplier's credit	–	1,547	2,918	–	–	4,465
Other financial liabilities						
Current maturities of long term borrowings*	–	1,162	6,758	–	–	7,920
Interest accrued but not due on borrowings	766	–	206	–	–	972
Capital Creditors	1,915	1,014	–	–	–	2,929
Mark to market derivative instruments	–	54	–	–	–	54
Trade payables	713	189	–	–	–	902

* Including future interest payments.

The Group is subject to legal proceedings and claims which arise in the ordinary course of business. See "*Business – Legal Proceedings*." Although occasional adverse decisions or settlements may occur, the potential loss, if any, cannot be reasonably estimated. However, the Group believes that the final disposition of current matters will not have a material adverse effect on the Group's financial position, results of operations or cash flow. The Group maintains various liability insurance coverage to protect the Group's assets from losses arising out of or involving activities associated with ongoing and normal business operations. The Group believes that it has adequately provided for contingencies which are likely to become payable. None of these contingencies is material to the Group's financial condition, results of operations or cash flows.

Off-Balance Sheet Arrangements

Neither the Group nor the Restricted Group is a party to any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Financial Risks

General

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The financial instruments of the Group, other than derivatives, comprise loans from banks and financial institutions, non-convertible bonds, demand deposits, short-term bank deposits, trade and other receivables, available for sale investments, trade and other payables.

Market Risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as (i) interest rate risk and (ii) foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk is primarily from the external borrowings used to finance its operations. In the case of external commercial borrowings and buyers credit, the Group believes its exposure to changes in market interest rates is insignificant as the respective group companies manage the risk by hedging the changes in the interest rates through cross currency interest rate swaps. The Group also monitors the changes in interest rates and actively refinance our debt obligations to achieve an optimal interest rate exposure.

The Group minimizes the foreign currency (U.S. dollar) interest rate exposure through derivatives and Indian rupee interest rate exposure through refinancing.

The Group uses certain types of derivative financial instruments (foreign currency forwards and cross-currency interest rate swap) to manage our exposure to foreign exchange and interest risk. The Group designates such derivative financial instruments (or its components) as hedging instruments for hedging exchange rate fluctuation and interest risk attributable to either a recognized item or a highly probable forecast transaction (cash flow hedge).

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's consolidated financial statements and the Restricted Group's combined financial statements are presented in Indian rupees. The functional currency applicable to the Group and the Restricted Group is also Indian rupees and they generate revenues and incur costs in Indian rupees. Part of the equipment costs of the Group are denominated in foreign currencies (wherein the Group makes wind energy equipment purchases with Indian rupees and solar energy equipment with a mix of Indian rupees and U.S. dollars), and some borrowing costs are in U.S. dollars, which is hedged against. The Group intends to hedge the Notes in accordance with its policies and applicable law. Although the Group follows a conservative policy on hedging foreign exchange exposures on capital expenditure commitments and borrowings, timing gaps or delays in hedging against such exposure may cause the Group to incur additional costs.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk arises from accounts receivable balances on sales to customers. A significant portion of the Group's revenue is derived from sales to state-owned utilities and corporations under long-term PPAs and hence, potential risk of default is predominantly a governmental one. The Group also has trade receivables due from both private parties and government utilities. The Group is paid monthly by its customers for electricity sales. The Group assesses the credit quality of the purchaser based on its financial position and other information.

In addition, the Group maintains banking relationships with only creditworthy banks which the Group reviews on an ongoing basis. The Group enters into derivative financial instruments where the counterparty is generally a bank. Consequently, the credit risk on the derivatives and bank deposits is not considered material.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities. In respect of our existing operations, we fund our activities primarily through long-term loans secured against our projects. We also maintain adequate liquidity in the form of bank deposits or liquid mutual fund investments to meet any obligations to lenders and vendors. Our objective in relation to our existing operating business is to maintain sufficient funding to allow the projects to operate at an optimal level.

The information in this section has been extracted or derived from the CRISIL Report that includes publically available information and third party data sources. The Company has commissioned the CRISIL Report for the purposes of reassessing the Restricted Group's understanding of the industry in connection with the offering. Neither the Company, nor any of the Restricted Group, nor any of the Initial Purchasers, nor any other person connected with the offering has verified the information in the CRISIL Report. CRISIL has advised that, CRISIL has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable ("Data"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data or the CRISIL Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/CRISIL Report. This CRISIL Report is not a recommendation to invest/disinvest in any entity covered in the CRISIL Report and no part of the CRISIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of the CRISIL Report. Without limiting the generality of the foregoing, nothing in the CRISIL Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Company will be responsible for ensuring compliances and consequences of non-compliances for use of the CRISIL Report or part thereof outside India. CRISIL operates independently of, and does not have access to information obtained by CRISIL's Ratings Division/CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL and not of CRISIL's Ratings Division/CRIS. No part of this Report may be published or reproduced in any form without CRISIL's prior written approval.

Indian Macroeconomic Overview

With a population of over 1.3 billion and estimated GDP of Rs.130 trillion in fiscal 2018, India is the third-largest economy, adjusted for purchasing-power parity (PPP). Also, India has favorable demographics with largest working population, 66.2% of the total population in working age group of 15-64 years in 2017 (Source: World Bank data indicators), and more than half the population below 25 years of age. In fact, working population of India is more than total population of countries such as Russia, Brazil and the US. Going forward, the working population, which rose at 2% CAGR over 2007-2017, is expected to increase further, thereby driving consumption and growth (Source: CRISIL Research).

India's GDP is expected to grow healthily, led by re-monetization and easing of teething troubles faced under goods and services tax (GST) mechanism. While the pain of demonetization and GST implementation will be frontloaded, the benefits will be felt over a period of time. Hence, GDP growth has been strong in 2018 over the weak base of fiscal 2017 – with a normal monsoon. Growth will also find support from private consumption, driven by continued government spending on construction activities, benign inflation and revision in government salaries at the state level.

Key Economic Indicators

	2015-16	2016-17	2017-18	2018-19F
GDP Growth (%)	8.0	7.1	6.7	7.4
CPI (%, average)	5.0	4.5	3.6	3.7
CAD/GDP (%)	-1.1	-0.7	-1.9	-2.6
Fiscal Deficit/GDP Center (%)	3.9	3.5	3.5	3.3
Exchange Rate (Rs./US$m March-end)	67	65.9	65	71
10 Year G-sec Yield (%, March-end)	7.5	6.8	7.6	7.9

Source: Central Statistics Office (CSO), Reserve Bank of India (RBI) and CRISIL estimates

Impact of Goods and Services Tax

Under the GST mechanism, a four-tier tax rate structure – 5%, 12%, 18% and 28% – has been finalized with essential items of daily use attracting the lowest rate and demerit/temptation goods the highest. While complete implementation of GST is expected to bring efficiency gains and lead to high tax compliance in the long run there would be disruptions and likely loss of revenue in the short run because of the transition. Cost will reduce for manufacturers, though it will increase for the services sector. In addition, GST will help narrow the gap between unorganized and organized firms as input sourcing from compliant firms will be needed for tax set-off.

The impact on the power sector of GST imposition is mixed, as coal which is the primary fuel used in power generation, has been brought under 5% taxation bracket in GST regime from approximately 12% in the previous regime which included VAT and excise duties. However, the impact has been slightly adverse for power transmission segment as goods and services utilized in the generation, transmission and distribution segment were earlier getting some tax credits which are absent under the current GST regime, resulting in rise in working capital requirement of players. Further, works contracts which come under services are now being taxed at 18% from approximately 15% earlier (including all cess) resulting in minimal rise in cost of these projects.

India's Economic Outlook

According to International Monetary Fund ("IMF") forecasts, India is likely to retain its position as the fastest-growing economy in the world in 2019, after overtaking China in 2018. Based on its estimates, India will continue to occupy the top slot among major economies with a growth rate of 7.7-7.8% until 2019. Thus, India's growth rate will be significantly higher than the world average of around 4% and also higher than other developing economies, such as China, Brazil, Indonesia and sub-Saharan African nations (Source: CRISIL Research).

The ongoing liberalization of India's FDI regime has also triggered a surge in investments, especially after the launch of the 'Make in India' campaign in October 2014. FDI has increased significantly since fiscal 2015, and surpassed foreign portfolio investment (FPI) since fiscal 2016. This is a positive development because FDI is sticky and long-term in nature compared with FPI. Net FDI inflows have risen to approximately $44.8 billion in fiscal 2018 from around $22 billion in 2014. However, growth in 2018 has slowed down significantly to approximately 3% in 2018 vis-à-vis stronger growth of 8.67%, 29% and 27% in fiscals 2017, 2016 and 2015 respectively.

Reduced macroeconomic vulnerability, coupled with improved government spending in infrastructure sectors, education, etc. has enhanced India's global competitive index (GCI) ranking to 40 in fiscal 2017 from 71 in 2015 and has also helped India improve its ranking to enter the top 100 in the World Bank's 'Ease of Doing Business' rankings in fiscal 2018. In essence, India is in a sweet spot, compared with other major global economies.

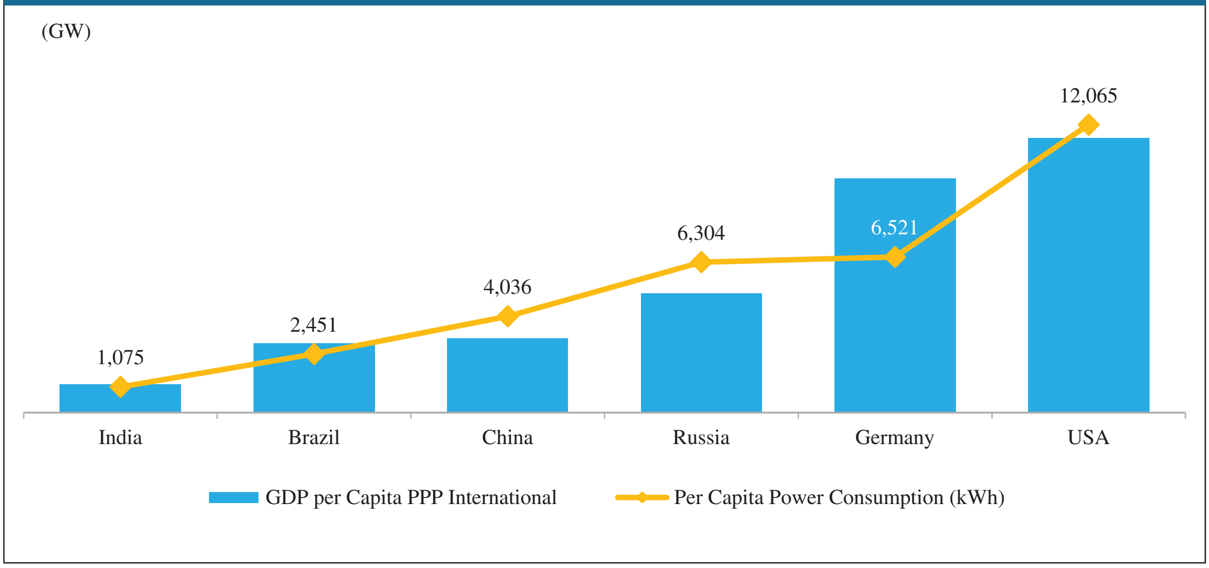
India Power Sector

The power industry is one of the core sectors, as it fulfills the energy requirement of several other industries and has a multiplier effect on the economy. Primary energy consumption in India at approximately 754 MTOE *(million tonnes of oil equivalent)* is the third highest after China (3,132.2 MTOE) and the US (approximately 2,235 MTOE), with 6% global share in 2017. In line with this, India was also the third largest producer of electricity, after China and US, with over 5% global share in electricity generation in 2015 (Source: CRISIL Research).

Despite being among the top three power consumers in the world, the per-capita electricity consumption in India is only 1,075 kWh in 2016 (Source: CEA). This is lowest among the BRICS (Brazil, Russia, India, China and South Africa) nations. This indicates the strong growth potential of the Indian power sector.

Moreover, per capita electricity consumption closely follows the growth pattern of per capita GDP. CRISIL foresees growth in demand for power, as GDP is expected to grow approximately 8% over the medium term. (Source: CRISIL Research).

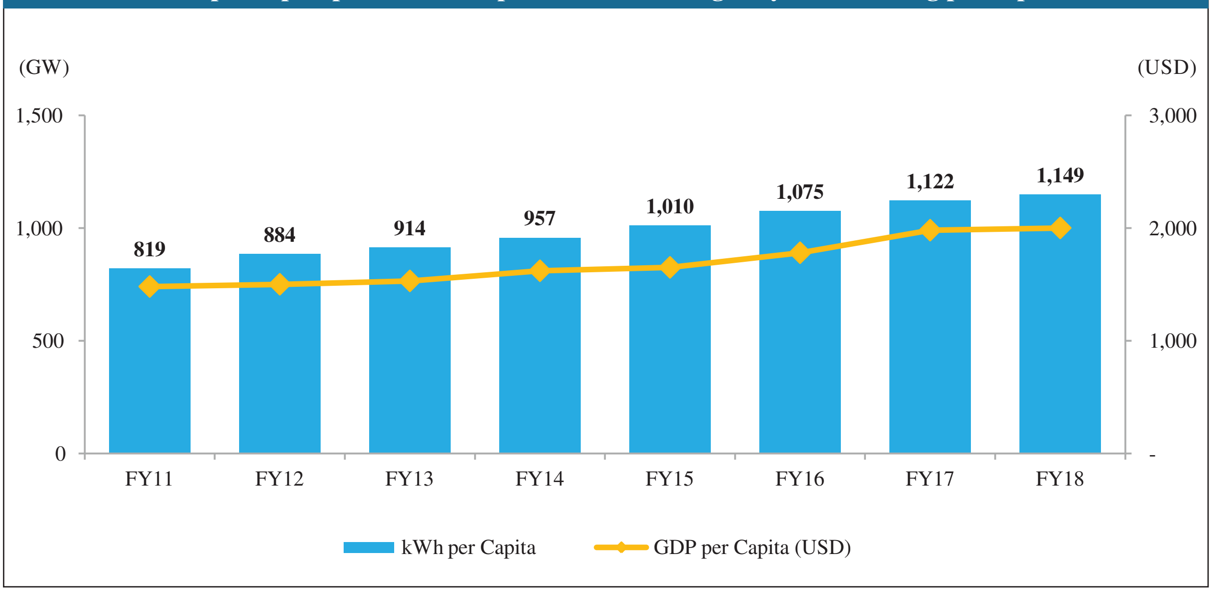
India's per capita power consumption was almost half of the world's average 2016 (Jan – Dec)



Note: Per capita power consumption is calculated by dividing the Total electricity consumption (From EIA) with total population (available from World Bank).

Source: World Bank, CEA, EIA, CRISIL Research.

Growth in per capita power consumption in India rising in sync with rising per capita GDP



Source: International Monetary Fund (IMF), CEA, CRISIL Research

Historically, the power demand growth has largely followed GDP growth trend. However, in the past five years, the power demand has remained low despite average GDP growth of approximately 7.1%, largely on account of following reasons:

Well-distributed and satisfactory monsoon over the period leading to lower power consumption by agricultural pumps and also lower cooling demand from urban commercial centers;

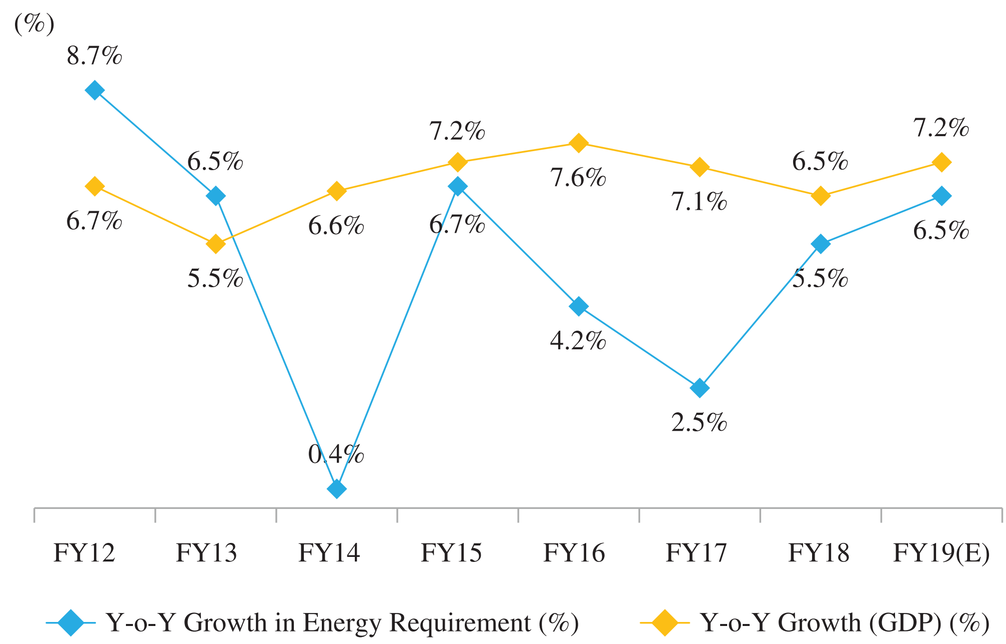
Improvement in energy efficiency: Government distribution of LEDs and efficient appliances under the Unnat Jeevan by Affordable LEDs All (UJALA) scheme as well as streetlight national program has resulted in approximately 37 billion units of saving per annum, which is equivalent to approximately 3% of India's energy requirement in fiscal 2018;

Reduction in AT&C losses from 24.6% at the end of fiscal 2015 to 20.2% at the end of fiscal 2018;

Power cuts and load shedding owing to weak financial health: At all India level, approximately 3.7 hours/day of power cuts still exist (as at June 2018) in rural areas and in states like Jharkhand, the duration is as high as 9 hours/day; and

Lack of intensive rural electrification – completed for only 63% of set target.

Growth in Power Demand has not kept pace with the Growth in GDP over Previous years



Source: CRISIL Research.

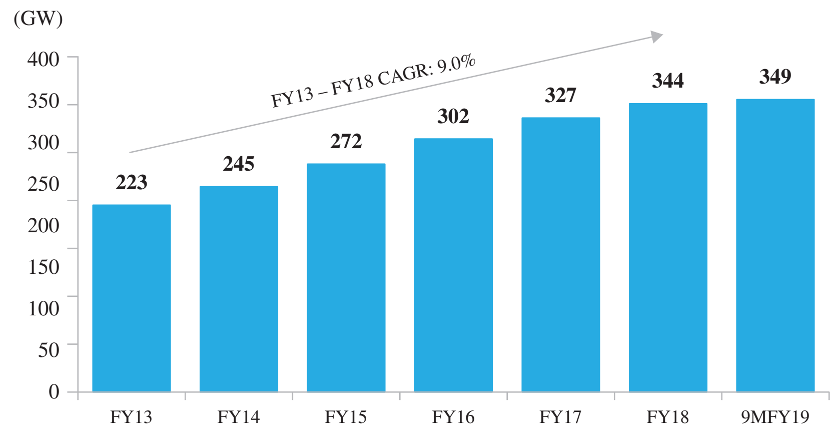
Going forward we expect the co-relation between GDP and growth in power demand to remain high and power demand to grow at a healthy pace of 6.5-6.8% CAGR over 2019-2023.

Demand – Supply Review

Generation segment witnessed robust growth led by rising private sector participation

The total installed generation capacity as at December 2018 is 349 GW, of which approximately 123 GW of capacity was added over FY 2013 – 9M FY 2019. Coal-based installed power generation capacity has maintained its dominant position over the years and accounts for 54% as on December 2018. However, renewable energy installations have more than doubled to approximately 74 GW capacity as on December 2018, compared with 25 GW as on March 2012 (Source: MNRE), constituting approximately 21% of total installed generation capacity as at date. In particular, this growth has been led by solar power, which grew at a break-neck speed to approximately 25.2 GW from 0.9 GW over the same period.

Evolution of Installed Generation Capacity

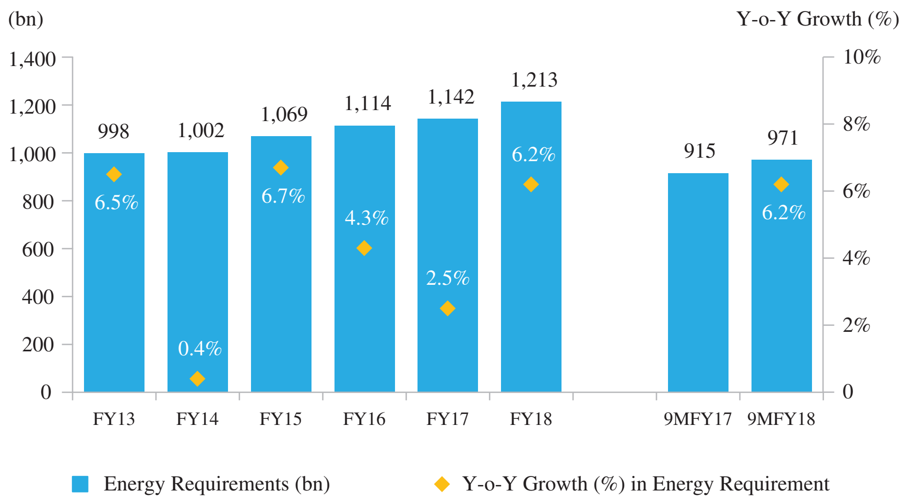


Source: CEA, CRISIL Research

The Electricity Act, 2003 coupled with competitive bidding for power procurement, implemented in 2006, encouraged the participation of private players who had announced large capacity additions. As a result of competitive bidding, capacities of around 58.2 GW (from fiscal 2013 to fiscal 2018) was added by the private sector, which accounted for 54% of the total additions, while the remaining 46% of convectional power capacities were added by state and central players. Moreover, strong government thrust on renewable energy coupled with reducing tariffs (with falling capital costs and improving efficiency) also supported renewable energy capacity additions.

Tepid rise in demand growth coupled with rising supply led to drop in power deficit; at 0.6% in 2016-17

Trend in Energy Requirement

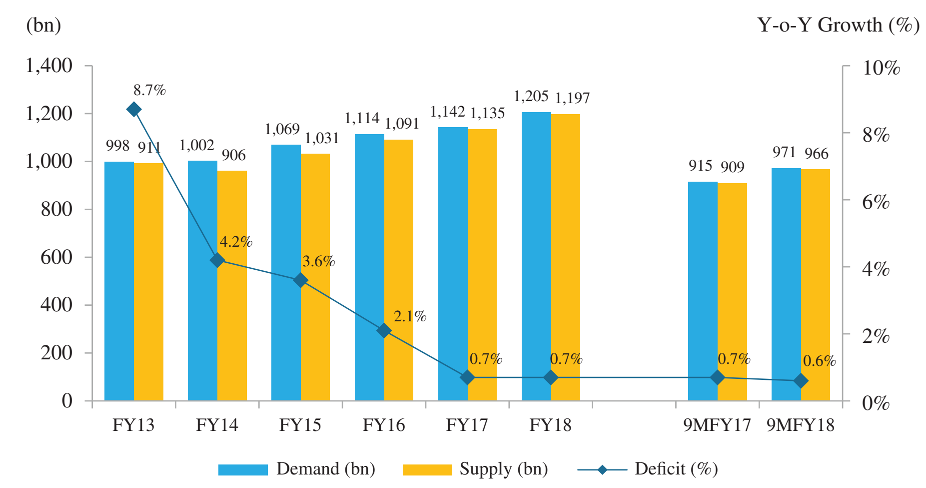


Source: CEA, CRISIL Research

Energy requirement grew at a CAGR of 4% over FY13-FY18. However, over that period, growth was very volatile given the market conditions. Growth was healthy in 2011-12 and 2012-13 at 8.8% and 6.5% respectively on the back of robust growth in economic activity and improved power availability supported by capacity additions of around 20 GW each in these years. However, power demand stagnated in 2013-14 on account of lower off-take due to weak financial health of DISCOMs as well as slowing GDP growth. In 2014-15, demand growth revived to 6.7% led by a pick-up in economic activity. Moreover, implementation of the financial restructuring plan for discoms in 7 states in 2013-14 and 2014-15 supported power off-take in these states. The growth tapered subsequently to 4.3% during 2015-16 and 2.5% in 2016-17 owing to slowdown in manufacturing activity and 6.1% in 2017-18, mainly driven by rising electrical connections under the rural electrification and Saubhagya schemes.

Rising supply led to drop in power deficit; at 0.7% in 2017-18 and 0.6% over YTD FY 2019

Aggregate Power Demand Supply (in bn Units)



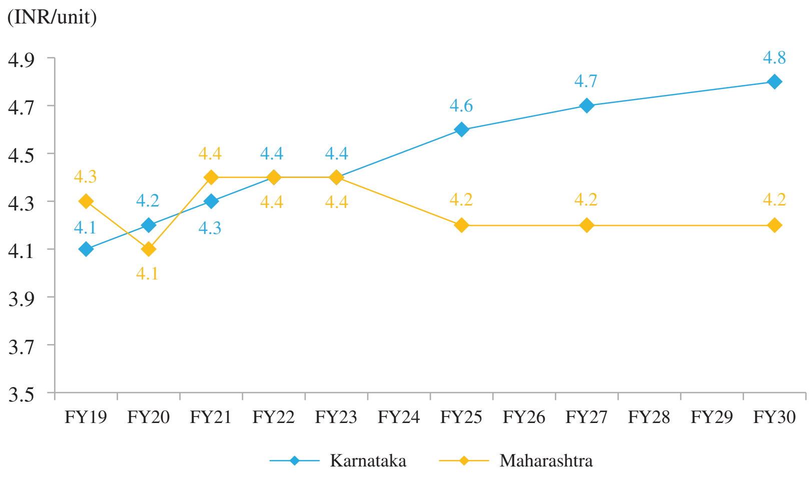
Source: CEA, CRISIL Research

Energy demand grew at a CAGR of 4% while power supply increased at a faster pace of 5.8% CAGR over 2013-18 on the back of strong capacity additions and improving transmission infrastructure. Thus, energy deficit has been on a downward spiral, but, India continues to remain a power deficit country in a growing demand scenario. Energy deficit (difference between electricity requirement and electricity supply is termed as energy deficit) declined to 0.7% in 2017-18 and further to 0.6% over YTD (Apr-Dec) 2018-19.

Average Power Purchase Cost

APPC tariff will reduce marginally for Maharashtra going forward while for Karnataka it will increase marginally. Power supply for Maharashtra will rise in line with demand at 3% on-year over the period from the year ending March 31, 2019 to the year ending March 31, 2030.

Average Power Purchase Cost – Karnataka and Maharashtra

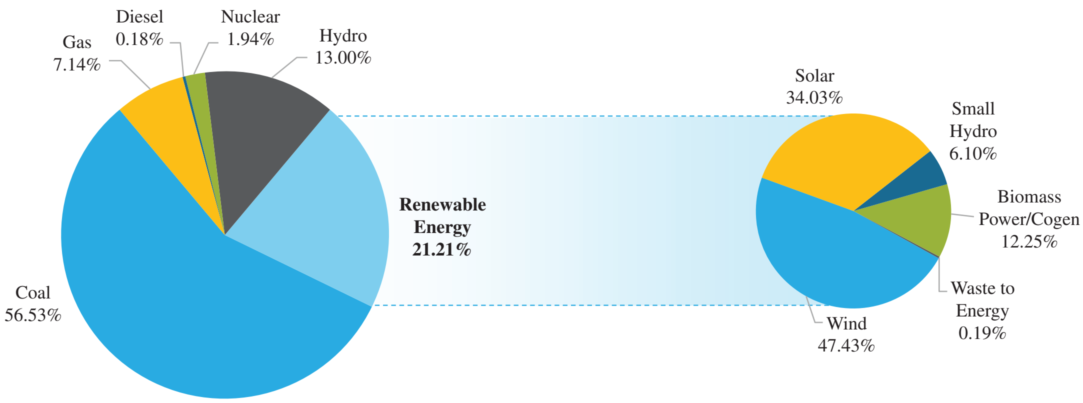


Overview of India Renewable Sector

The impact of two oil shocks, pushed the government to establish a Commission for Additional Sources of Energy under the Department of Science and Technology in March 1981. This division was responsible for formulating and implementing policies with regard to development of new and renewable energy sources and to propel research and development in the sector. In the subsequent year, a new department, Department of Non-Conventional Energy Sources was created in the Ministry of Energy, subsuming the earlier Commission, which paved the way for new renewable energy in India.

The renewable capacity in India has grown at CAGR of 24% over from the year ended March 31, 2012 to the year ended March 31, 2018, led by various central and state level incentives. Hence, as on December 2018, installed grid connected renewable energy generation capacity in India stands at 74.1 GW, which is approximately 20% of the total installed generation base in India.

Renewable energy has ~20% share in the Installed generation capacity in India as on December 2018



Note: Grid connected Renewable energy excludes 674.81 MW of biomass (non-bagasse) cogeneration as it is included in captive power under MNRE classification

Source: MNRE, CRISIL Research

However, total electricity generated from the installed renewable energy capacities (or renewable energy penetration in the grid) still remains low at approximately 8%, with wind energy garnering maximum share of 4% of the total energy supplied in the country in the year ended March 31, 2018.

Despite such strong capacity additions, there is huge potential for RE installations in India. From the table given below, it is evident that there lies huge potential for RE installation in India.

Potential and Cumulative Capacity of Renewable Energy (Technology wise)

Technology	**Potential**	**Cumulative Capacity as on December 31, 2018**	**Untapped Potential**
Wind	302 GW (100m hub height)	35.29 GW	266.7 GW
Solar Ground Mounted	749 GW	24.58 GW	724.4 GW
Solar Rooftop*	210 GW	1.44 GW	208.6 GW
Biomass + Bagasse Cogeneration	22.5 GW	9.08 GW	13.4 GW
Small Hydro (up to 25MW)	19.5 GW	4.52 GW	15 GW
Waste to Energy	NA	0.14 GW	NA

Note: * The economically feasible market potential for rooftop solar PV in urban settlements of India; excludes off-grid/captive solar capacities

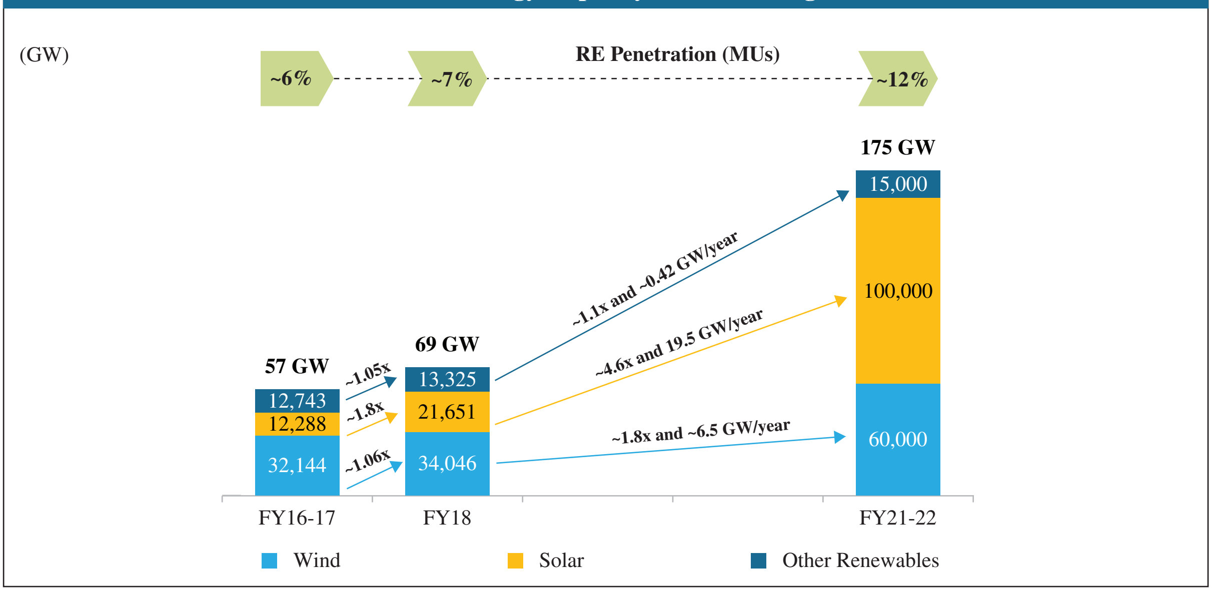
excludes estimates of approximately 1.0 GW of roof top capacities for which subsidy is not provided by MNRE

Source: MNRE; NITI Aayog; CRISIL Research

The capacity additions in the RE segment is mainly driven by various fiscal and regulatory incentives such as accelerated depreciation, 80 IA, additional depreciation, generation based incentives, and renewable purchase obligations etc. provided by central government.

In 2014, the government has set the target for achieving 175 GW of renewable energy in India, with major focus on solar energy (100 GW by March 31, 2022) and Wind energy (60 GW by March 31, 2022). While other renewable energy sources that includes Small hydro projects, Biomass projects and other renewable technologies have to be ramped up to 10 GW by March 31, 2022.

Revised Renewable Energy Capacity Addition Targets till FY2022



Source: CRISIL Research

Strong government thrust on renewable energy and reducing tariffs (with falling capital costs and improving efficiency) also supported renewable energy capacity additions.

Top Renewable Companies in India

By Total Capacity

(In MW)	Wind Capacity	Solar Capacity	Other Renewable Capacity	Total Capacity
ReNew Power Limited	4,276	2,101	–	6,377*
Greenko Energies Private Limited	2,421	1,916	393	4,730
ACME Solar	–	4,500	–	4,500
Adani Green Energy	997	2,398	–	3,395
Azure Power	–	3,060	–	3,060
Tata Power Renewable Energy Limited	1,161	1,788	–	2,949
Mytrah Group	1,900	400	–	2,300
SB Energy**	–	2,150	–	2,150
Sembcorp Green Infra Limited	1,692	35	–	1,727
Hero Future Energies	400	1,053	–	1,453
CLP India Private Limited	925	100	–	1,025

Note: Sembcorp Green data is as on Sep-18, Hero Future Energies data as on Mar-18

* Does not include Distributed Solar

** Includes 450 MW of solar-wind hybrid; cancelled bids of 1.1 GW by SECI and 250 MW by GUVNL not included; includes projects won through the competitive bidding route

Source: Industry, CRISIL Research

By Installed Capacity

(In MW)	Wind Installed Capacity	Solar Installed Capacity	Other Renewable Installed Capacity	Total Installed Capacity
ReNew Power Limited	2,925	1,241	–	4,166*
Greenko Energies Private Limited	2,156	1,916	393	4,465
Tata Power Renewable Energy Limited	1,161	1,288	–	2,449
Adani Green Energy	60	1,898	–	1,958
ACME Solar	–	1,700	–	1,700
Mytrah Group	1,000	400	–	1,400
CLP India Private Limited	925	100	–	1,025
Azure Power	–	1,018	–	1,018
Sembcorp Green Infra Limited	892	35	–	927
Hero Future Energies	300	553	–	853
SB Energy	400	–	–	400

Note: Sembcorp Green data is as on Sep-18, Hero Future Energies data as on Mar-18

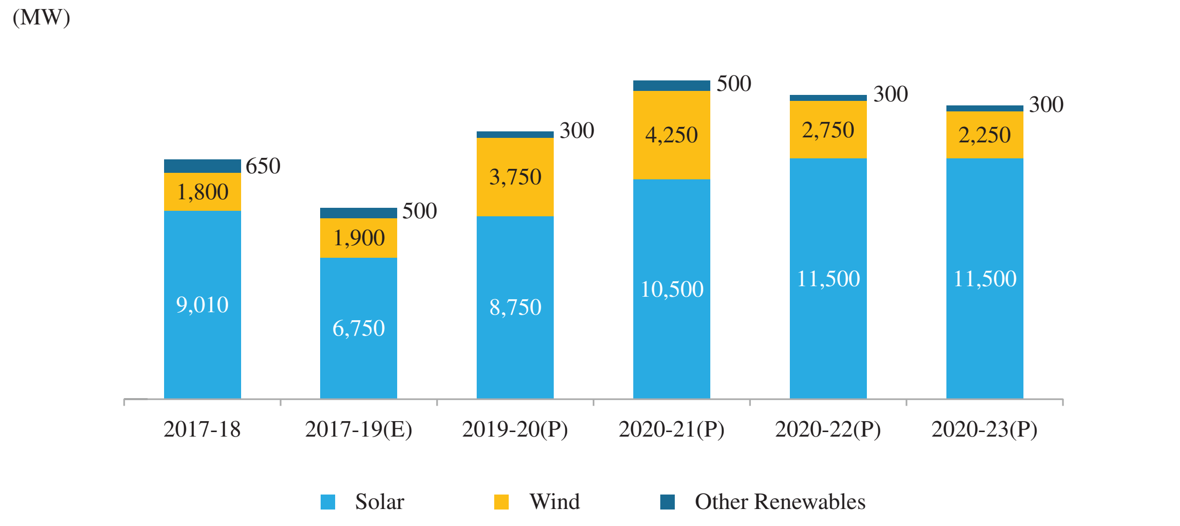
* Does not include Distributed Solar

Source: Industry, CRISIL Research

Outlook of the Renewable Energy Sector in India

The Renewable energy market of India is one of the most attractive markets globally on account of large capacity additions, strong government support and favorable policy regime. Further India is fourth largest in terms of installed wind energy capacity. Going forward we believe that 76-78 GW of renewable energy capacities to be added over 2019-2023. Also going forward RE capacity additions are expected to exceed conventional capacities, which will eventually result in higher RE penetration.

Strong government support, falling tariffs and easing transmission constraints to drive RE capacity addition



Note: Capacity additions for solar includes both solar ground mounted and solar rooftop capacity additions. It does not include the outlook on the off-grid/Captive power. Other renewables includes Small Hydro, Bio power (Biomass and Gasification and Bagasse based co-generation and waste to power.

Source: MNRE; CEA, CRISIL Research

The generation capacity of renewable energy sources in India is expected to rise at CAGR of 18.5% from approximately 69 GW in the year ended March 31, 2018 to approximately 161 GW in the year ended March 31, 2023. Consequently, RE penetration in grid is expected to rise from 8% in the year ended March 31, 2018 to approximately 15% by the year ended March 31, 2023 since must run' status is given to RE plants in the country.

States like Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Karnataka, Andhra Pradesh, Telangana and Tamil Nadu have a high potential of RES generation as compared to other states in India. Hence most of the RE capacities would be planned in these states, leading to high penetration levels of 18% to 20%, which could adversely impact the grid stability (due to infirm nature of RE power) and also impact the PLFs of conventional power plants in India.

Key Trends in the India Wind Energy Market

Capacity additions had plummeted by 68% in the year ended March 31, 2018 on account of multiple factors including unplanned phasing out of feed in tariff regime by government, delay in the issuance of bidding guidelines and tenders by the states and cancellations of allotted capacities (LOAs) to developers for setting up project capacities under the FiT mode. Moreover, halving of accelerated depreciation benefit (from 80% in the year ended March 31, 2017 to 40% in the year ended March 31, 2018) and elimination of generation based incentives (GBI) of Rs.0.5/unit also reduced investments in the sector from non-IPPs players.

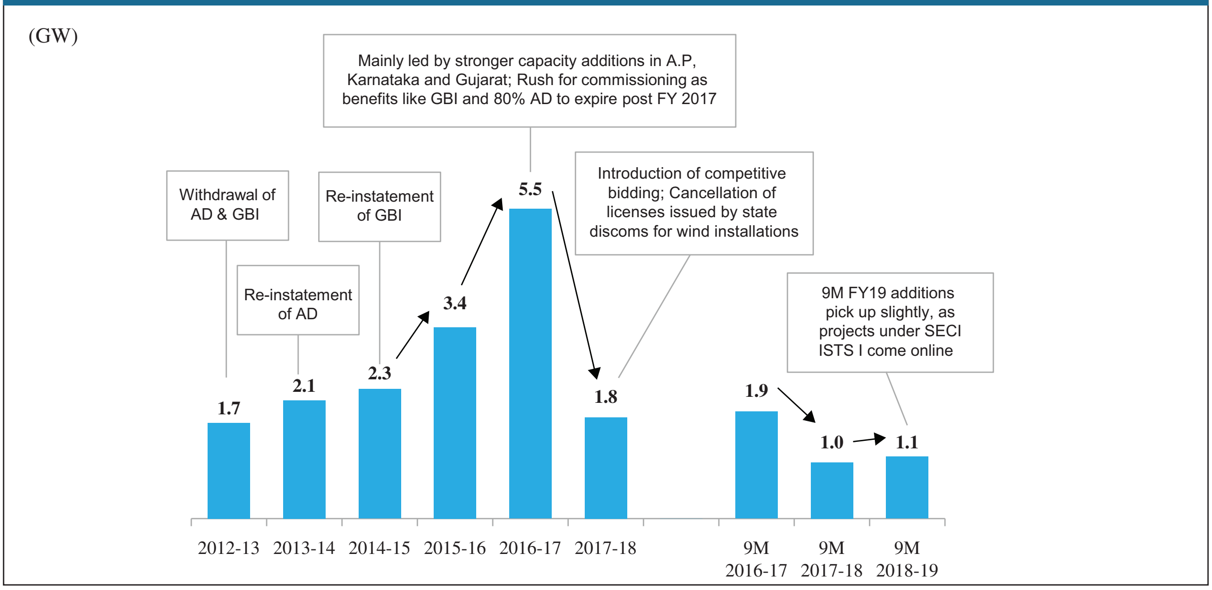
In February 2017, the government conducted the first reverse e-auction for wind power, which led to tariffs falling to Rs.3.46/unit. This was in fact 17% lower than lowest wind FiT of Rs.4.16/unit in the state of Tamil Nadu. With such sharp drop in tariffs, several state discoms like Gujarat, Andhra Pradesh, Rajasthan and Karnataka expressed their unwillingness to buy power under the FiT regime even for approved and under-construction projects as PPAs were not signed.

Wind power tariffs have since fallen to the Rs.2.5 per unit level with the tariffs as low as Rs.2.43 per unit witnessed in December 2017 in Gujarat state wind auctions of 500 MW. However, tariffs have since inched back to approximately 2.8 per unit in the NTPC ISTS auctions for 1.2 GW held in September 2018.

Capacity additions have picked up in 9M 2018-19, with additions rising 92% y-o-y in 9M FY19 as to 1.1 GW added compared to approximately 569 MW over the same period last fiscal. This is however, on a low base as last year was exceptionally weak and compared to the year ended March 31, 2017 when capacity additions were robust, 9M FY19 additions are still 43% lower. This is the case as the sector continues to adjust to the new regime and the consequent lower tariffs as well as grid connectivity concerns, where developers are facing issues from delayed/congested infrastructure.

Most of the wind capacity additions that happened over 9M 2018-19 were in the states of Tamil Nadu, Gujarat and Andhra Pradesh. While, capacities in Tamil Nadu would have come online from projects under the 500 MW Tamil Nadu auctions, commissioning under the SECI Tranche I would have also added capacities this fiscal. Together these states added approximately 95% of the total capacity additions in 9M FY19. The year ended March 31, 2018 witnessed fewer capacity additions year on year of approximately 1.8 GW, owing to delays in signing of PPAs by states, cancellation of bid capacities and significant payment delays in the wind energy sector. Most of the projects that commissioned in the year ended March 31, 2018 were those which were already sanctioned (licenses provided/PPA signed) by discoms or under construction prior to March 2017.

Wind power capacity additions slowed down in 2017-18, slight pick-up in 9M FY19 but on a low base



Source: MNRE, CRISIL Research

In the year ended March 31, 2018, capacity additions were led mainly by states such as Karnataka, Andhra Pradesh and Tamil Nadu, which together added 1,452 MW (approximately 82% of total additions in the year) of wind capacities owing to attractive tariffs of Rs.4.83/unit, Rs.4.19/unit and Rs.4.5/unit respectively as compared to Rs.2.65 per unit Weighted average competitively bid tariffs for fiscal the year ended March 31, 2018.

Discoms in few states also allowed large capacities to be contracted as they would have to meet their up scaled, (to 10.5% by the year ended March 31, 2022 as per recent power ministry guidelines) non-solar RPO targets, to avoid penalties and compliances which are expected to become stricter. In fact, the newly constituted state of Andhra Pradesh has very low Non-solar RPO target of 4.8% in the year ended March 31, 2017, which has to be scaled up to 10.5% within a span of 2 years thereby requiring the state discoms to add a large capacities.

Consequently the capacity additions in Andhra Pradesh remained at approximately 0.34 GW in the year ended March 31, 2018 with the installed capacity reaching 3.95 GW as on March 2018. On the other hand, Gujarat commissioned approximately 0.27 GW of wind capacities in the year ended March 31, 2018, taking the total installed capacity base of the state to 5.57 GW as on the year ended March 31, 2018. Karnataka state added approximately 0.8 GW of wind energy projects in the year ended March 31, 2018, taking the total installed capacity of state as 4.67 GW. On the other hand, capacity additions in Tamil Nadu, Madhya Pradesh and Rajasthan were low with states adding 324 MW, 22 MW and 16 MW respectively.

Outlook of the Indian Wind Energy Sector

CRISIL Research expects capacity additions to grow, albeit moderately over the next 5 years led by allotment of CTU connected capacities, presence of central level incentives like accelerated depreciation, and states raising their Non-Solar RPO targets. Moreover, high industrial tariffs will support capacity additions. We expect discoms in windy states such as Karnataka, Gujarat, Rajasthan and Maharashtra to contract wind power to suffice their incremental non-solar RPO requirements, while states with lesser compliance such as U.P, M.P, Jharkhand, Bihar, Odisha, Haryana etc. are expected to improve their Non-Solar compliance by contracting more central level allocated capacities

CRISIL Research expects capacity additions of approximately 20 GW over the next 5 years starting from the year ending March 31, 2019 to the year ending March 31, 2023, entailing investments of approximately Rs.1,500 billion. Capacity additions will be driven by rising participation of central government (SECI) and other relatively stronger off takers like SECI and PTC, which significantly reduces risk as compared to direct exposure to state discoms. Moreover, wind power capacity additions will be driven by decline in tariffs and higher procurement from non-windy states.

However, capacity additions are expected to rise from 1.8 GW in the year ended March 31, 2018 to about 4 GW in the year ended March 31, 2020, as state utilities would refrain from contracting wind power under the FiT mode. A tectonic shift to the competitive bidding in the wind energy sector by state discoms consumed major portion of the year ended March 31, 2018 as it entailed authorities to release competitive bidding guidelines and establish a mechanism in place. Thereafter, gradually auctions took place with only three state auctions so far i.e. by Gujarat (awarded 500 MW wind in the third quarter of the year ended March 31, 2018), Tamil Nadu (500 MW in August 2017) and Maharashtra (500 MW in the fourth quarter of the year ended March 31, 2018). Despite this, the year ending March 31, 2019 is expected to continue to see a slowdown in capacity additions as even though tendering and auctioning may have picked up, most of the capacities are expected to come online by end of the year ending March 31, 2019 and over the year ending March 31, 2020.

Moreover, the capacity additions would also be adversely impacted by the expiration of incentives such as GBI and 80 IA coupled with halving of (40%) accelerated depreciation benefit.

With the auction route gaining traction, capacity additions are expected to rise from end of the year ending March 31, 2019 and onwards. In fact, SECI has already allocated 7.2 GW of ISTS connected wind capacities over past 15 months. Further, approximately 2.7 GW has been allocated by NTPC and state entities.

The Centre expects to auction upwards of 5 GW each year, which will support additions. Additionally, capacities under other schemes such as the 2.5 GW wind solar hybrid scheme, offshore wind energy tenders and repowering of existing low capacity wind turbines will add to overall capacity additions. With the wide scale adoption of the auction route, tariffs are expected to remain low, which will support off-take.

Some of the other key drivers that are expected to support wind energy capacity additions are as given below:

Improved technology: Capacity additions in wind energy would be supported by the fact that newer wind turbines have higher rated capacity and higher hub height (over 100m), which can be set up even at low wind sites, which are otherwise considered economically unattractive. Further, advancements in gear technology has helped wind turbines managing adequate generation even at low wind speeds. Technological advancements have allowed players to set up wind mills in states/sites with lower wind density. In fact Suzlon (India's largest wind turbine manufacturer) recently commissioned its prototype (S128-140) in January 2018, which provides approximately 20-22% higher yield vis-a vis its older models with higher hub heights. Similarly other large manufacturers such as Inox Wind, Siemens – Gamesa and Vestas also have similar sized wind turbines which provides higher upside in generation. Based on our estimates for every 100 bps change in PLFs, equity IRRs improves by 130-150 bps. Hence, developers are favoring states that have better grid availability and lesser payment delays despite lower tariffs.

Improving financial health of discoms: As per our analysis, the ACS-ARR gap is expected decline to Rs.0.11/unit by the year ending March 31, 2021 from about Rs.0.58/unit in the year ending March 31, 2015. This reduction in the ACS-ARR gap will be driven by implementation of Ujwal Discom Assurance Yojna ("UDAY") scheme. UDAY Scheme aims at improving the financial health of discoms through initiatives such as reduction in interest cost, reduction of cost of power and improvement in operational efficiencies.

As on March 2018, 31 States/Union Territories have signed an MoU to implement the UDAY scheme. These states represent approximately 98% of the total outstanding debt of discoms of Rs.3.8 trillion (as on March 2015). Out of Rs.2.7 trillion worth bonds to be issued, 86% (or Rs.2.3 trillion) have already been issued. Lower debt burden and subsequently reduction in power purchase cost and gradual decline in AT&C losses is expected to improve the financial health of distribution companies. This in turn will not only improve power offtake but also lead to more timely payment to generators by discoms. With an improvement in the financial health of discoms coupled with government thrust on renewable energy, we expect higher off-take of wind power.

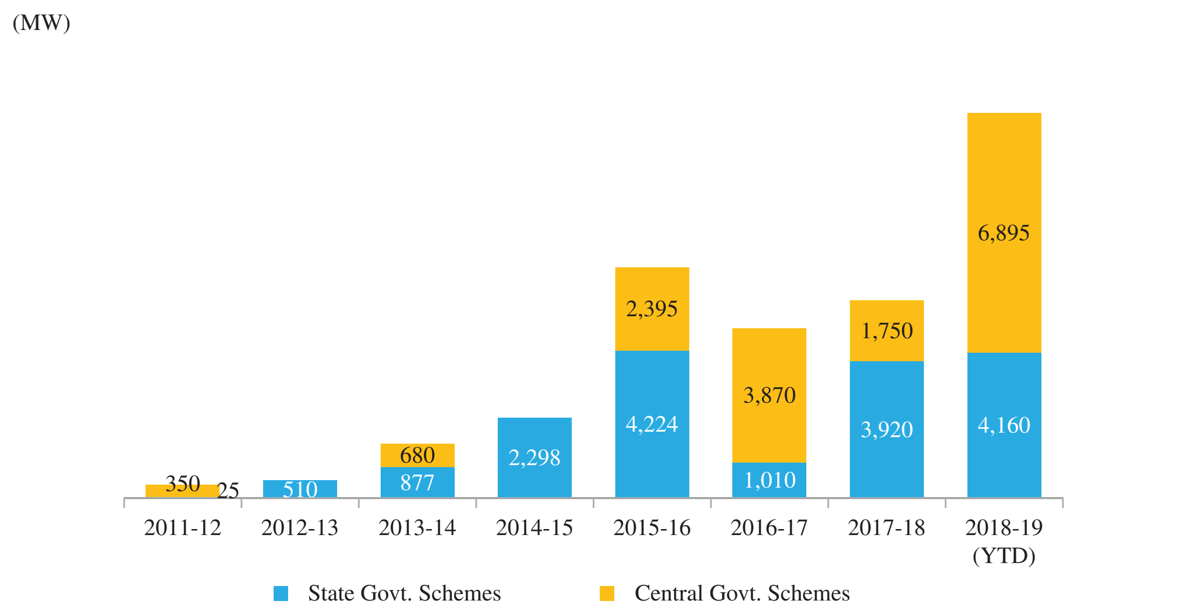
Despite all of the above driving factors, we believe that the sector would require significant support from states in terms of resolution of payment related issues to the wind developers, meeting their RPO targets and open access regulations suited to allow seamless transfer of wind power.

Key Trends in the India Solar Energy Market

In the renewable energy basket, wind energy accounted for the largest share at 47% as on December 2018, while solar power contributed 34%. However, growth in the solar power sector over the last 5 years has been robust. Capacity additions of 21.6 GW (till March 2018) were witnessed in the solar power segment over 2013-18 registering a CAGR of 67%, although on a low base. However, capacity additions in 9M 2018-19 have been subdued at 3,561 MW vis-à-vis 3,781 MW capacity additions in 9M 2017-18 and 9,010 MW in 12M 2017-18. This may be attributed to increase in costs (safeguard duty, rupee depreciation and cost of financing) in addition to lack of clarity on several policy issues. (Source: CRISIL Research).

The growth story of the solar sector in India commenced with the commissioning and operation of 15 MW of solar Photovoltaic (PV) pilot projects between 2008 and 2009. Later, with the introduction of the NTPC Vidhut Vyapar Nigam Limited (NVVN) scheme under Jawaharlal Nehru National Solar Mission (JNNSM) (which allowed bundling of solar power with cheaper thermal power), solar capacity allocations have picked up pace.

Solar capacities (MW) allocated over 2012-2019 (YTD) under Central and state government schemes



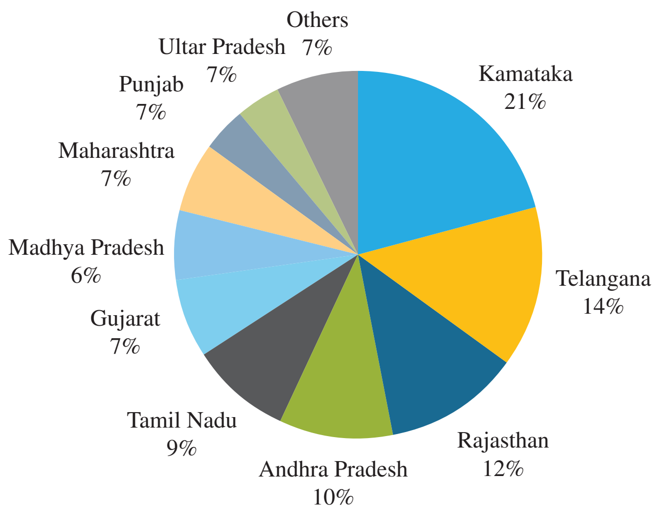
Note: Fiscal year (April-March) are represented in the chart given above, YTD refers to the period 1st April – 31st December 2018. Central schemes include allocations by NVVN, NTPC and SECI, while state schemes include allocations done by state discoms; Allocations under REWA scheme is included under state allocation. Additionally, central rooftop (SECI) allocations have been excluded.

Source: CRISIL Research

Under the JNNSM Phase I, 450 MW of solar PV capacities were tendered out in two batches – 150 MW (Batch I) and 300 MW (Batch II) in 2010-11. In addition, 470 MW was offered under the solar thermal technology. These capacities were commissioned over 2011-2013. The state-level schemes also saw rapid growth in the disbursement of solar power during the same period. Until 2011-12, only Gujarat and Rajasthan had a state solar policy and, after the success of Gujarat's state solar policy, only Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh and Telangana introduced their respective solar polices.

By March 2012, India had reached close to 1 GW of Installed capacity, with projects providing satisfactory generation performance along with timely receipt of payments from both NVVN and discoms of Gujarat. The bidding guidelines became stringent to avoid commissioning default by successfully bid projects and to ensure the entry of only serious players. Further, the MNRE created a new agency, namely Solar Energy Corporation of India (SECI), to handle the solar biddings and channelize the subsidy, incentives to developers. Consequently, between March 2012 and March 2016, the Central government has released several schemes, such as NSM Phase II Batch II Tranche I (3 GW), Batch III (3 GW), Batch IV (5 GW), Batch V (1 GW), Batch VI (50 MW), over and above other schemes for the defense organizations, canal-top plants and 1.5 GW under-rooftop solar plants. Further, many states, such as Madhya Pradesh, Andhra Pradesh, Telangana, Karnataka, Maharashtra and Tamil Nadu, have introduced their solar policy and respective targets, and have also allocated 7 GW of solar capacities during this period.

State wise installed solar capacity (MW) (as on Dec 2018) is as given below



Source: MNRE, CRISIL Research

After witnessing a continuous decline in solar tariffs over the years and revision of solar targets under the National solar Mission (NSM) (from 20 GW as on 2021-22 to 100 GW in 2021-22), the government has increased its focus on improving the supportive infrastructure for solar projects, including the construction of solar parks and green energy corridors. Further, allocations under the Central government schemes rose to meet the solar power demand from state discoms willing to meet their revised RPO targets (the National Tariff Policy has revised the solar RPO target to 10.5% by 2021-22). Such large allocations resulted in growth of solar IPPs in India and ReNew Power became first IPP in India to cross 1 GW of renewable energy portfolio in April 2016. Further lower counterparty risk, lower offtake risk (because of solar park transmission infrastructure) and multilayer payment security mechanism attracted more IPPs with access to cheaper funds.

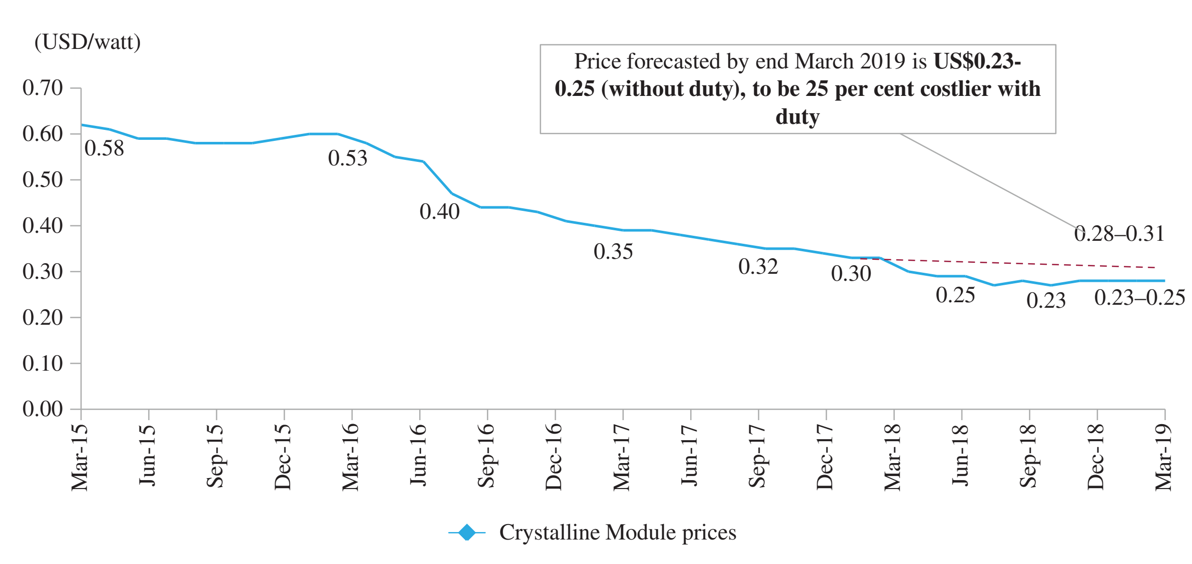
The growth of solar sector in India is driven by significant government thrust, plummeting solar module prices (and consequent decline in solar bid tariffs), enhanced availability of low cost finance and foray by global players in the solar energy sector.

Growth Drivers for Solar Sector in India

Drop in module prices

The global average solar module prices which constitutes almost 55% to 60% of the total system cost, have crashed 73% to US$0.47/Watt in 2016 (January to December average) from US$1.78/Watt in 2010. In fact, prices have continued to decline to US$0.23/Watt as on December 2018. The fall in prices can be largely attributed to the high demand supply gap in the global solar module manufacturing industry. The global solar demand has always been half of the total module manufacturing capacity across the globe. Moreover, innovation in the manufacturing processes has reduced costs, which in turn put downward pressure on module prices. Further, declining inverter prices (contributes approximately 6% to 7% of the capital cost), which fell down by approximately 58% from the year ended March 31, 2012 to the year ending March 31, 2017 and continued to remain at low rate of US$0.04/Watt as on October 2018, helped in reducing the system costs.

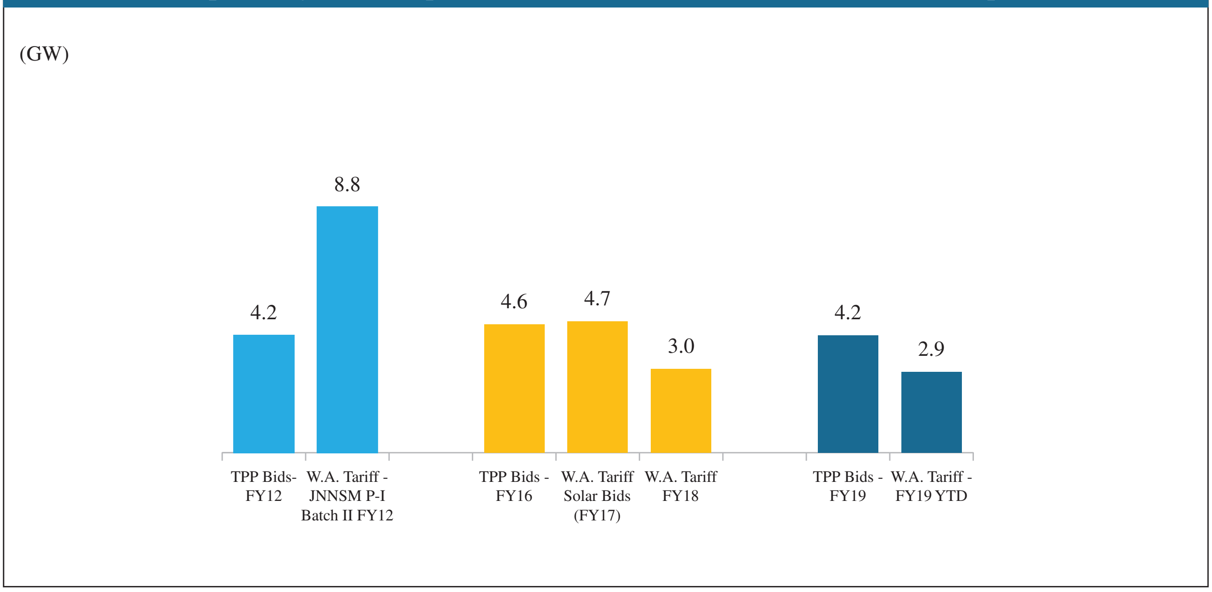
Module prices declined at 86% from 2010 to FY 2018



Source: PV Insights, CRISIL Research

With the decline in the prices of solar modules, tariffs of solar power have fallen. In fact, solar power has scored over coal-based power in terms of competitiveness of tariffs. While the average bid tariffs for 2016-17 were Rs.4.7/unit, bid tariffs have reached new low of Rs.2.44/unit in Bhadla solar park biddings in May 2018. Further the weighted average tariffs for bids conducted in the year ending March 31, 2019 (April – December) were awarded at Rs.2.9/unit. If compared, these tariffs are 28% lower than the weighted average tariffs of coal-based plants, discovered under the recent bidding for stressed assets in the year ended March 31, 2018.

Competitively bid solar power tariffs are much lower vis-à-vis coal-based power



Note: TPP – Thermal power plant; JNNSM – Jawaharlal Nehru National Solar Mission;

YTD – April 2018-December 2018

W.A – Weighted average levelized tariffs

Source: Details of Case I bids, Bidding of power from stressed assets, CEA; CRISIL Research

Strong Government Thrust

The government has laid significant thrust on climate change for which it provided a framework, National Action Plan on Climate change (NAPCC), in 2008, where it proposed an eight pronged strategy – National Solar Mission (NSM), Energy efficiency, Sustainable habitat, Water planning, Himalayan ecosystem, afforestation, sustainable agriculture and strategic knowledge on climate change. As can be seen, the government has laid significant emphasis on the solar power in particular. This is also evident from the 100 GW out of 175 GW target set out by the government. The government support to solar sector in India is reflected from the below:

Introduction of the National Solar Mission (NSM)

In line with the NAPCC, The government launched the Jawaharlal Lal Nehru National Solar Mission (JNNSM), in the year ended March 31, 2010, under which it has undertaken several initiatives to promote low cost solar power in the country.

Some of the key initiatives taken under the NSM scheme are as follows:

a. The government has appointed NTPC Vidhut Vyapar Nigam limited (NVVN, the trading arm of NTPC) to buy competitively bid solar power and bundle it with cheaper thermal power to sell it to discoms. The objective was to reduce the average power purchase cost of solar power.

b. Under the NSM, NTPC has committed to add 10 GW of solar power by in the year ending March 31, 2022.

c. The government is incentivizing the central public sector undertakings (CPSUs) to install solar power under the viability gap funding mechanism. Under the batch V of NSM it has already allocated approximately 1 GW. Further, the government has mandated large public sector institutions like India railways, Defense establishments, Airports authority of India, Metro corporations to substitute part of their power consumption with solar power.

d. The government has also incorporated a separate entity, Solar Energy Corporation of India (SECI), for the purpose of promotion of solar projects in India. It conducts the bidding procedure and also undertakes the distribution of funds allocated from the center to developers. SECI also buys solar power from the developers and sells it to bulk consumers under the tripartite agreement and charges trading margins (approximately Rs.0.07/unit) to the buyer of power.

Operational support to execute solar projects

Apart from providing incentives, the government has lent significant support to the solar power sector for execution of projects.

Solar parks: One of the most important initiatives by the government has been the set-up of solar parks in the country. This is critical given the land intensive nature (approximately 5 acres required per MW of solar PV) of solar projects coupled with low average holding (1.16 hectare) per person in India. Under the Solar Park policy released in September 2014, the Government has planned to prepare land banks for 20,000 MW of solar projects spread across 25 states in India. Such parks significantly reduce construction/execution risk as it includes contiguous parcel of land, evacuation infrastructure (HV/EHV substation evacuating to state grid substation) and other ancillary infrastructure and utilities such as road, water and Drainage etc.

So far, 21 states are in different stages of preparing land banks and in fact MNRE has released Rs.3,839 million in grants (Rs.2.5 million for DPR preparation and Rs.2 million/MW (approximately 5 acres) for land acquisition) to the implementing agencies of 13 states for setting up solar parks.

As at November 2018, 47 solar parks of aggregate capacity 27 GW has been approved in 21 states. Out of the 1,000,000 lakh acres of land identified for various solar parks, over 75,000 acres has already been acquired. Further, solar projects of aggregate capacity 4.2 GW have also been commissioned inside the various solar parks.

The government has also approved capacity augmentation of solar parks to 40 GW in March 2017 to support execution of solar projects. For the same, the government has sanctioned Rs.81 billion for newly envisaged 20 GW of solar projects. Moreover, the government is also taking up projects for new emerging technologies such as floating solar power.

Availability of central and state level incentives to the solar sector

In order to facilitate growth of renewable energy and in particular the solar power sector, the government has provided several fiscal and regulatory incentives to developers. Below, we have elaborated each of these incentives:

Accelerated depreciation (AD): The government provided AD of 80% (till 2016-17) in the first year of operations, however in the budget for the year ended March 31, 2017, the government has halved the A.D benefit to 40% for projects getting commissioned post April 2017, i.e. from the year ended March 31, 2018 onwards. Also, the 40% A.D benefit reduces the tariff required for earning healthy equity IRRs by Rs.0.6-0.8/unit (assuming a capital cost Rs.40 million/MW). In fact, several players, particularly in industries such as infrastructure, real estate and constructions effectively used this incentive to offset profit and thereby reduce tax outflow at a company level. However government has plans to gradually cut off the incentives once the growth becomes market driven. In fact government has already discontinued GBI and 80 IA incentives for RE projects.

Generation based incentives (GBI): This incentive was introduced on December 2009, for approximately 4 MW capacities. Under the incentive the wind energy developers were provided 50 paise per unit over and above the feed in tariff provided by the state for wind energy projects. The incentive amount was capped at Rs.10 million/MW that needs to be claimed within first 10 years of the registration of the project. Further, there was an annual ceiling of approximately Rs.1.5 million/MW per annum in the first four years of registration. The GBI scheme was withdrawn on March 2012 and was re-introduced on September 2013 retrospectively and total disbursement for a given year was capped at one-fourth of the maximum limit of the incentive i.e. Rs.2.5 million/MW per annum during first four years of registration. The scheme ended on March 2017 and government has not provided any indications on renewing the scheme as wind energy sector has become a matured market.

Tax holiday under section 80 IA: Section 80 IA of the income tax has allowed developers to avail a tax waiver on the profits for 10 assessment years. The 80 IA benefit in the absence of A.D benefit helped in improving the project IRR by 100-110bps. However, this provision has lapsed effective 1st April 2017, and developers will not be able to avail this benefit going forward.

Regulatory incentives: Under central level allocations, government is providing various incentives to renewable energy projects such as must run status of renewable and deemed generation for projects. Under must-run status (as per regulation 5.2 (u) of the Grid code) there is provision of no backing down of renewable power. However most of the state discoms and state load dispatch centers believes that the must – run status is not absolute and restrictions must be imposed keeping in view the grid safety conditions. Further in most of the central level wind and solar allocations, there is provision of deemed generation. In fact MNRE under in bidding guidelines for solar and wind energy projects have mentioned the same. Under the deemed generation concept, the renewable energy generator is paid for its system availability (based on the annual generation on pro-rata basis) if electricity is not purchased on account of grid issues i.e. grid unavailability or incompleteness of the transmission line.

Availability of finance at cheaper rates

Given the capital-intensive nature of the solar power sector, availability of finance and that too at a low cost is critical. On the one hand, the government has undertaken several steps to ensure availability of low cost finance, on the other developers are exploring several instruments/sources to raise finance as elaborated below. This has lent significant support to growth in the solar power sector. In fact, the companies that are backed by large private equity firms or have raised domestic/offshore bonds at cheaper rate of interest to repay expensive domestic debt have outstripped the growth rate at which renewable energy sector in India is growing. For Instance, renewable energy capacity additions in India has grown at a rapid pace of 21% CAGR from the year ended March 31, 2011 to 69 GW in the year ended March 31, 2018, however the capacity additions by large IPPs such as ReNew Power, Acme, Azure and Mytrah have outstripped the growth rates multifold.

Favorable technology, falling costs made solar a preferred source among fuels

Power generation in India typically takes place via various technologies, which includes conventional fossil fuels (like Coal, lignite and gas), large hydro power plants, nuclear power and renewable energy sources. In the below table, we have highlighted the key advantages and disadvantages across fuels and as we can see that solar power is favorable on most counts.

For fossil fuel based power plants, regular availability of quality fuel becomes very critical. In fact, limited domestic coal availability in India has led to significant stress on private sector coal based power projects. For players relying on imported coal the project is exposed to the price risk, currency risk and any other regulatory risk. Although, coal based power has the advantage of low generation cost, the adverse impact on the environment owing to emission partly negates this benefit. Further, availability of domestic gas has been a concern in India owing to which around approximately 14 GW of gas based projects in India are completely stranded.

In the case of hydro-power generation projects, rehabilitation issues, environmental issues and high costs and long gestation period restricts growth in hydro power.

In the case of wind technology, the site selection and land acquisition requires lot of time and effort. Wind resource is not as widely spread as solar and for site selection process, micro siting (wind data gathering at particular positions) of the site needs to be done which typically takes around 3 years of time. Further, from the government side there are no wind parks prepared as is the case for solar power. While capital cost of wind energy projects has increased due to technological upgrades, the cost for solar photo-voltaic plants has reduced due to decline in the raw material costs. The net impact is that the levelized cost of solar has fallen below that of wind power by almost 9% in the competitive bids in the year ended March 31, 2017. However, with imposition of safeguard duty on imported cells/modules it has had a direct impact on capital costs thereby pushing up bid tariffs of solar during the year to date and the year ending March 31, 2019. In fact, it can be seen that in the recent auctions (from the year ending March 31, 2018 to the year ending March 31, 2019) the weighted average wind tariffs (at Rs.2.65/unit) have been lower by 12% vis – vis weighted average solar tariffs over the same period of time.

Further solar PV projects are very modular (available in sizes from solar lamps to MW sized solar projects) and can even be set up on the rooftop of building premises. Moreover, the solar radiation does not vary much year on year in the project life cycle and the plant typically requires very low maintenance.

The generation pattern under solar plant is more predictable, favors the load curve and can be forecasted with better accuracy. Solar power generation normally peaks during 11 am to 1 pm duration which partly coincides with typical peak power requirement duration in India.

Reduction in execution and operational risk

Solar parks reduce operational risk as the developer gets land with clear titles near ready-to-use evacuation infrastructure and can focus its energy on procurement and execution. Further, ready infrastructure like roads, water and drainage ensures speedier construction and saves management bandwidth. Also, in central-level projects, payment and offtake security reduces risk, which in turn also narrows the premium which players building, thereby lowering tariffs. *(Source: CRISIL)*

Unless otherwise indicated, references to "our projects" and "our capacity" includes both operational and under development projects and capacity, respectively. Unless otherwise indicated, industry data and statistics used in this section have been extracted from the report titled "CRISIL Research – Outlook on the Renewable Energy Market in India in February 2019" and prepared and issued by CRISIL. Unless otherwise indicated, all financial, operational, industry and other related information derived from such report and included herein with respect to any particular year refers to such information for that year ended March 31.

Overview

We are the largest renewable energy IPP in India in terms of total energy generation capacity (Source: CRISIL Report). As at December 31, 2018, we had a total capacity of approximately 6.46 GW, comprising 4.24 GW of operational capacity and 2.22 GW of capacity under development. We develop, build, own and operate utility scale wind and solar energy projects as well as distributed solar energy projects that generate energy for commercial and industrial customers.

We have a strong track record of organic and inorganic growth having nearly doubled our operational capacity in each of the years ended March 31, 2016, 2017 and 2018. We have achieved a market leading position in the Indian renewable energy industry against the backdrop of the GoI's policies to promote the growth of the industry. We have a robust balance sheet and demonstrated access to diversified pools of capital from Indian and international investors, lenders and other capital providers. We are a professionally managed company and our senior management led by our Chairman and Managing Director, Sumant Sinha, has extensive experience across our operational and strategic focus areas.

We were founded in 2011 and commenced operations in 2012 with our first project which had a capacity of 25.20 MW and is located in Jasdan, Gujarat. We achieved our initial 100 MW of installed capacity in March 2013, and developed our first 50 MW group captive consumer project in May 2013. In July 2014, we developed our first distributed solar project of 300 kWp and we commissioned our first utility scale solar project with a capacity of 50 MW in June 2015. We increased our operational capacity from 545.76 MW as at March 31, 2015 to 986.90 MW as at March 31, 2016 and became the first Indian renewable energy IPP to exceed 1 GW of operational capacity in April 2016. We then doubled our operational capacity to 1.99 GW as at March 31, 2017 and again more than doubled it to 4.24 GW as at December 31, 2018. Our growth in operational capacity has been contributed to by our acquisitions of KCT and its portfolio of 103.10 MW of wind energy projects in November 2017, and our acquisition of Ostro Energy and its portfolio of 1,108.10 MW of wind and solar energy projects in March 2018 of which 858.10 MW of projects were operational.

As at December 31, 2018, our portfolio of projects comprised:

- 4,166 MW operational utility scale projects, 2,211 MW under development utility scale projects and 85 MW distributed solar projects with a combined capacity of 6,462 MW, comprising:
    - 2,925 MW operational and 1,351 MW under development wind energy projects with a total capacity of 4,276 MW;
    - 1,241 MW operational and 860 MW under development solar energy projects with a total capacity of 2,101 MW; and
    - 70.40 MW operational and 14.27 MW under development distributed solar projects with a total capacity of 84.67 MW.
- 287.8 MW wind and utility scale solar projects under development which are expected to be commissioned in the year ending March 31, 2019, which includes 228.1 MW already commissioned and 59.7 MW under development and 2,151.2 MW which are expected to be commissioned in the year ending March 31, 2020.

The table below shows the operational capacity and under development capacity of our wind and utility scale solar projects:

Particulars	Operational Capacity (MW)	Under Development Capacity (MW)
Utility scale wind	2,925.35	1,350.90
Utility scale solar	1,241.00	860.00
Distributed solar	70.40	14.27
Total	**4,236.75**	**2,225.17**

Our operational utility scale wind and solar energy projects were spread over seven states across India with no single state accounting for more than 25% of our total utility scale wind and solar energy operational capacity as at December 31, 2018. Our portfolio as a whole provides a diversified balance of wind and solar projects. Our offtakers include a mix of public utilities and private companies with no single off-taker accounting for more than 16% of our total utility scale wind and solar energy capacity as at December 31, 2018.

We have strong project execution and operational capabilities, including EPC and O&M capabilities, through a combination of internally developed and outsourced expertise. We have on-going relationships with a number of OEMs and believe that our market position, business reputation and credit history have resulted in our becoming a preferred IPP customer for several of these OEMs.

We have demonstrated our ability to access diversified pools of Indian and international capital, including equity, project finance and corporate debt, from a broad cross-section of investors, lenders and other capital providers. Our equity investors include private equity, sovereign wealth and pension funds as well as renewables and infrastructure-focused investors. These institutional equity investors have invested a total of Rs.66,965.67 million in our Company in various tranches over the years, with the most recent investment occurring in March 2018. Two of our shareholders, GS Wyvern Holdings Limited and CPP Investment Board, have both agreed in principle to purchase up to approximately US$48 million each of newly issued shares of our common stock, subject to regulatory approvals and final documentation.

Our capital structure is also complemented by a range of debt and project financing instruments from multiple Indian and international lenders which help us optimize our return on the over US$1 billion of equity capital we have raised to date.

The following table sets forth certain financial information for the Group for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)(1)	(Rs. in millions)		(US$ in millions)(1)
Total income	8,581	15,508	27,795	398	21,048	38,019	545
EBITDA	7,529	13,102	23,067	331	18,055	33,435	479
Profit/(loss) after tax for the year/period	915	506	520	7	1,400	2,512	36

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "Exchange Rates."

Overview of the Restricted Group

The Restricted Group represents a collection of wind and solar power projects that are large in size, operational, diversified across states and have long-term power purchase agreements.

The Restricted Group's portfolio of assets comprises:

- eleven operational projects with a combined installed capacity of 636 MW as at December 31, 2018 comprising:
  - seven operational solar energy projects with a total installed capacity of 354 MW; and
  - four operational wind energy projects with a total installed capacity of 282 MW.

The Restricted Group accounted for 15% of the Group's operating capacity as at December 31, 2018. The total income of the Restricted Group accounted for 15% and 14% of the Group's total income for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively and EBITDA of the Restricted Group accounted for 16% and 13% of the Group's EBITDA for the year ended March 31, 2018 and the nine months period ended December 31, 2018, respectively.

The Restricted Group operates wind energy and utility scale solar projects. The projects comprising the Restricted Group have been selected with due consideration for their stage of operations, diversification by wind and solar as well as by geography and offtaker. The Restricted Group comprises 11 operational projects with a combined installed capacity of 636 MW as at December 31, 2018.

The weighted average balance of the Restricted Group's PPA tenor is 17.4 years starting from December 31, 2018, or starting from the projects' weighted average commercial operation date, whichever is later. As at December 31, 2018, the operational capacity of Restricted Group represents 15% of the Group's total consolidated operating capacity. No single state offtaker contributes more than 25% of the Restricted Group's total capacity as at December 31, 2018. All of the Restricted Group's asset portfolio is operational, thereby providing significant visibility on future operational and financial performance. Of the operational assets, 79% have been operational for more than one year. The total capacity is comprised of 44% wind and 56% solar projects.

The following table shows the details of the Restricted Group's projects. No additional capital expenditure is required for these projects to run.

Location	Project Name	Gross Capacity (MW)	Wind/ Solar	Company Ownership	Offtaker	Weighted Average Commercial Operation Date	Balance of PPA Tenure[1]
Maharashtra	Vaspet-IV	49.5	Wind	100%	Maharashtra State Electricity Distribution Company Limited	Nov-14	8.8
Rajasthan	Bhesada	100.8	Wind	100%	Jodhpur Vidyut Vitran Nigam Limited	Mar-16	22.2
Karnataka	Kushtagi	71.4	Wind	100%	Hubli Electricity Supply Company Limited/Gulbarga Electric Supply Company Limited	Apr-18	24.2
Rajasthan	SREI	60.0	Wind	100%	Ajmer Vidyut Vitran Nigam Limited/ Jaipur Vidyut Vitran Nigam Limited	May-12	13.2
Telangana	Dichipally	143.0	Solar	51%	The Northern Power Distribution Company of Telangana Limited	Jul-17	23.5
Karnataka	Ittigi	50.0	Solar	100%	3rd Parties	Jan-17	8.0
Karnataka	Raichur	50.0	Solar	100%	3rd Parties	May-17	8.3
Madhya Pradesh	MP Solar II	51.0	Solar	100%	M.P. Power Management Company Limited	Oct-17	23.8
Karnataka	Wadgare	20.0	Solar	100%	3rd Parties	Dec-17	9.4
Karnataka	Nirna	20.0	Solar	100%	3rd Parties	Mar-18	9.4
Karnataka	Ladha	20.0	Solar	100%	3rd Parties	Mar-18	9.4

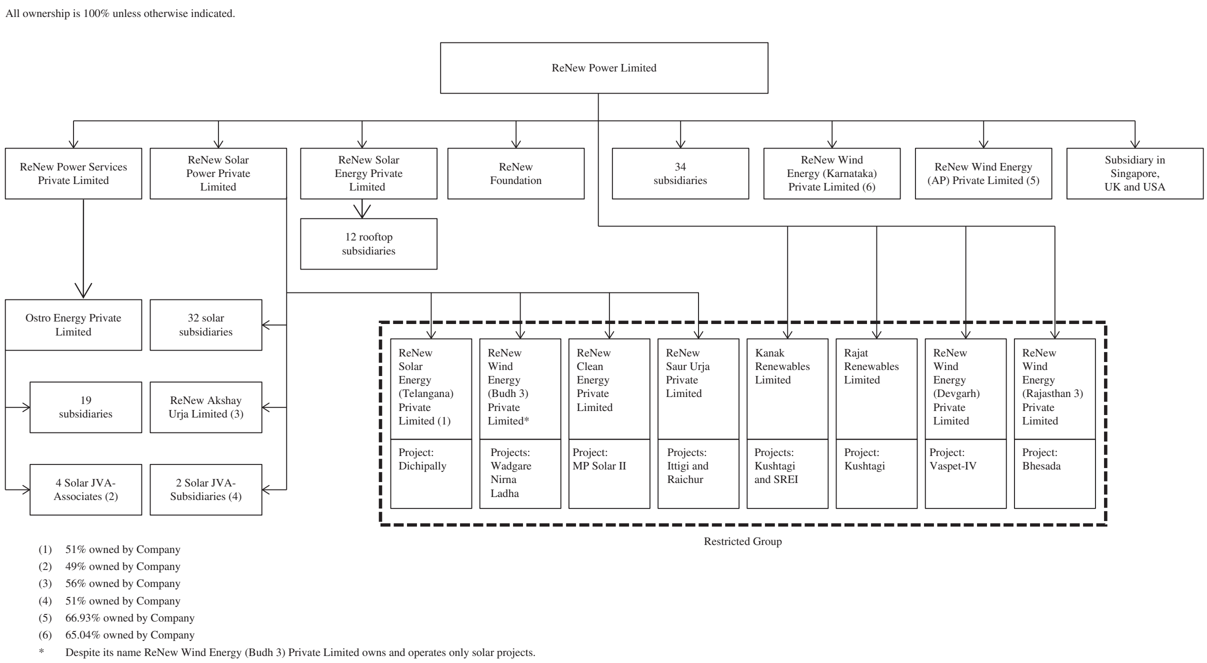
(1) PPA tenure is calculated from the commercial operation date and/or commencement of supply of power. Balance of PPA tenure is calculated from 31 December, 2018 or weighted average commercial operation date, whichever is greater.

The following table sets forth certain financial information for the Restricted Group for the periods indicated:

	For the year ended March 31,				For the nine months ended December 31,		
	2016	2017	2018	2018	2017	2018	2018
	(Rs. in millions)			(US$ in millions)[(1)]	(Rs. in millions)		(US$ in millions)[(1)]
Total income	686	2,174	4,144	59	3,017	5,185	74
EBITDA....................	594	1,891	3,632	52	2,679	4,390	63
Profit/(loss) for the year/period	(84)	0	524	7	358	278	4

(1) Translations of Indian rupee amounts to U.S. dollars are provided solely for the convenience of the reader, and are not part of the financials statements of the Group or the Restricted Group. Translations were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as at December 31, 2018. See "Exchange Rates."

The following diagram shows the corporate structure of Company and its subsidiaries:



Strengths

We believe we have the following competitive strengths.

Disciplined project selection and execution

Our ability to select and execute projects in a disciplined manner has aided our growth while supporting our aim of meeting our targeted returns from our projects. In the case of wind energy projects, we have developed capabilities in forecasting and determining wind resource availability that enhance the effectiveness of our turbine site selection. Our wind resource forecasts are validated by independent third parties and we use a network of masts at various locations across India to collect wind site data continuously. This gives us the ability to respond quickly to bid requests and estimate operating parameters more accurately as we normally shortlist a potential wind energy project for bidding only after collecting the relevant mast data. In the case of solar energy projects, we have developed effective EPC capabilities and expertise in project design, construction, procurement and installation. Our in-house solar EPC team executed approximately 880 MW of capacity, representing 80% of our organic utility scale solar operational capacity as at December 31, 2018.

Our investments in projects are subject to a rigorous and thorough internal process pursuant to which proposed investments are evaluated and appraised at multiple levels by the relevant internal teams, culminating in our independent Investment Committee presenting a final proposal to the Board for its approval. We follow a similarly robust, multi-stage approval process when considering inorganic growth opportunities.

These capabilities, together with our expertise in identifying and acquiring appropriate land for our projects, have helped us achieve our targeted returns and operational performance. Securing appropriate land (whether in terms of suitably sited locations for our wind energy projects or sufficient contiguous land for our utility scale solar energy projects) has been key to our business success. We have built local teams and worked closely with land aggregators to identify and secure land for our projects amounting to over 10,000 acres. In addition, we are experienced in working with multiple local, state and national governmental authorities to obtain land and secure necessary project approvals, including for evacuation infrastructure.

We carefully evaluate evacuation infrastructure and grid availability at our project locations and our project execution capabilities include building and maintaining the necessary evacuation and transmission infrastructure, in accordance with the terms of our PPAs, where required to ensure reliable offtake. In addition, we evaluate the regulatory landscape (including any curtailment issues) as well as the quality of the offtakers for our projects. We also ensure that we partner as required with reputed OEMs with appropriate resources to support our execution efforts including provision of transmission infrastructure, technical support and maintenance services.

Project portfolio diversification across resource, geography, offtakers and vendors

Our portfolio of projects, including those under development, is well diversified between wind and solar projects across geographies and is also diversified across our offtakers and vendors. This diversification mitigates against operational volatility due to seasonal weather conditions and reduces concentration risk. As at December 31, 2018, our total portfolio of projects (including both operational and under development projects) had an aggregate capacity of approximately 6.46 GW, of which 4.28 GW constituted operational and under development utility scale wind energy projects and 2.18 GW constituted operational and under development utility scale and distributed solar energy projects. Our operational and under development utility scale wind and solar projects were located in eight states across India as at December 31, 2018, with no single state contributing more than 25% of our total utility scale wind and solar energy operational capacity.

As at December 31, 2018, 89% of the PPAs signed had a term of 20 to 25 years, and 11% of them had a term between 8 to 20 years. Our offtakers include central government agencies, public utilities (specifically state electricity utilities) and private industrial and commercial consumers. We particularly focus on the credit profile of our offtakers and about 71% of our total offtake comprises central government agencies (NTPC, SECI, PTC), State Nodal Agency (RRECL) and distribution utilities rated B+ or above by the Ministry of Power. As at December 31, 2018, no single offtaker accounted for more than 16% of our total utility scale wind and solar energy capacity.

We work with a range of OEM suppliers for sourcing wind and solar equipment and no single OEM contributed more than 41.5% of wind turbines of the total contracted wind capacity and no single module supplier contributed more than 22% of solar module panels of the total contracted solar capacity as at December 31, 2018. We work with a number of wind OEM providers for O&M services. We largely undertake O&M services required for our solar energy projects in-house.

The Restricted Group's portfolio of projects is well diversified between wind and solar projects, with total capacity comprised of 44% wind and 56% solar projects. The Restricted Group's portfolio of projects is also diversified across geographies, with no state contributing more than 36.5% of the Restricted Group's installed capacity, and across its offtakers and vendors, with no single vendor constructing more than 27.1% of the total capacity. All of the Restricted Group's projects are operational and have no capital expenditure requirements.

Operational and business systems excellence

We have a track record of operating and maintaining our projects at high levels. Our Board closely monitors individual project performance and actively guides our senior management in addressing any operational issues. We run robust O&M procedures across our wind and solar energy projects, working with third party vendors in the case of wind energy projects (given proprietary technology) and largely internally in the case of solar energy projects. We closely monitor vendor performance on projects where we have outsourced O&M to ensure they are performing at our expected generation levels.

Our projects have performed at high levels owing in large part to our proactive equipment maintenance and equipment management capabilities including through turbine, solar array and other equipment performance audits. We rigorously monitor the performance of our wind and solar energy projects from a central site, the ReNew Power Diagnostics Centre, which is staffed by a dedicated performance monitoring team. Our diagnostics center enables us to continuously track real time data on actual energy generation at each site and identify anomalies, if any, so that we can make the necessary operational interventions promptly to address any issues with minimal loss in generation. Our performance monitoring team also analyzes each project to identify systemic problems impacting a project as well as anticipate potential faults, which we can rectify in advance.

We also use Lost Production Factor ("LPF") as a key operational performance metric to improve operational efficiency. LPF allows us to more precisely measure losses on account of our operations (in varying criteria arising from grid issues and curtailment, and preventive or curative maintenance stoppages) over potential generation.

We also continue to invest in our related business systems and capabilities to evaluate new technological products, increase business process automation and more effectively control our supply chain and contract management functions.

Efficient capital structure with access to multiple funding sources

We benefit from a robust balance sheet, which we leverage prudently to support our growth. We have raised a mix of equity, project finance and corporate debt. Our equity investors include a broad cross-section of well-known international private equity, sovereign wealth and pension funds as well as renewables and infrastructure focused investors. We also have access to a range of project finance and debt instruments from multiple Indian and international investors.

Our broad base of equity investors include Goldman Sachs, JERA, ADIA, CPPIB, ADB (exited January 2018) and GEF SACEF India. In the years ended March 31, 2016, 2017 and 2018 we received total investments of Rs.11,950.13 million, Rs.17,120.21 million and Rs.16,089.99 million, respectively. Since our incorporation in 2011, our equity investors have invested a total of Rs.66,965.67 million in our Company in various tranches, helping us retain an efficient capital structure with no mezzanine capital instruments. As at March 31, 2018, we have raised US$370 million from GS Wyvern, US$247 million from CPPIB, US$200 million from ADIA, US$199 million from JERA, US$50 million from the Asian Development Bank, US$30 million from GEF SACEF India and US$23 million from the management, Cognisa Investment and Wisemore Advisory Private Limited in equity capital. Our project finance, corporate debt lenders and other capital providers include public and private commercial banks, mutual funds and pension funds as well as specialized infrastructure lenders. We have repeatedly accessed the NCD market, allowing us to raise Rs.66 billion from reputable investors including Franklin Templeton, Reliance MF, Axis MF, L&T MF, India IDF, L&T IDF and Bajaj Allianz Life Insurance. We further received approvals for US$600 million of debt financing from the Overseas Private Investment Corporation, a US government entity, and for US$389 million of debt financing from the Asian Development Bank. We accessed the debt capital markets using innovative structures, allowing us to raise Rs.12.1 billion through an India Infrastructure Finance Company Limited partially guaranteed bond for the installation of 208.65 MW of capacity. We were the first Indian renewable energy IPP to raise US$475 million of Rupee-denominated "masala" bonds, the proceeds of which were used to refinance part of our existing project level indebtedness, repay existing subordinated shareholder and inter-company loans, and extend new inter-company loans. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Indebtedness*."

We finance our projects with a mix of equity and debt funding, including credit lines with key Indian lenders, resulting in relatively better financing terms for us. We refinance operational projects regularly to extend repayment tenors, increase borrowing limits and reduce our overall debt service costs. As at December 31, 2018, we had obtained partial credit guarantees from IIFCL for projects aggregating to 208.65 MW, resulting in a credit rating of AA+ from India Ratings and CARE for the subsidiaries that operate this portion of our capacity. We also maintain a careful balance between our exposure to fixed and floating interest rate instruments. Our ability to access diversified pools of capital has enabled us to raise funding and refinance our projects regularly and on competitive terms to maximize our capital efficiency. Our capital structure and fundraising track record are aligned with our project development needs and growth plans and we raise an appropriate and efficient mix of funds according to our anticipated requirements.

Market leader in the Indian renewable energy industry

We have grown faster than the renewable energy industry in India as a whole over the years ended March 31, 2011 to 2018 (Source: CRISIL Report). Between the years ended March 31, 2013 to 2018, we grew our total operational capacity at a CAGR of 96% as compared to a CAGR of 22% over the years ended March 31, 2013 – 2018 for operational capacity growth in the Indian renewable energy industry as a whole. Since incorporation, we have added more operational capacity organically than any other renewable energy IPP in India. For further details, see "*Industry Overview.*"

We have achieved our market leading position while following judicious policies across our key areas at business and operations, including prudent treasury management, leverage and investment policies and careful customer, vendor and project selection. We consider that our approach has enabled us to achieve our market leading position based on an appropriately diversified and risk mitigated project portfolio.

With one of the largest portfolios across wind and solar energy projects, we believe we enjoy several advantages including:

- *Project development*: Our scale enables us to negotiate more effectively with and obtain favorable terms from OEM vendors, as we are a significant customer and have a good credit history. We are able to obtain competitive financing terms in the development phase due to our access to multiple pools of capital. Our presence across several Indian states enables us to access extensive wind and solar resource data (including through the use of over 77 wind masts across India as well as solar pyranometers) as well as other technical project execution and evacuation data, enhancing our capacity to bid effectively. Our scale helps us meet project pre-qualification criteria including technical expertise, revenue, capacity and financing requirements when bidding for larger projects. Our abilities in measuring and assessing wind resource (based on detailed wind resource data and rechecked internally as well as independently by third parties) and solar resource, in acquiring land for our projects and in responding to the dynamic regulatory environment in which we operate, collectively, support our business strength in this phase.

- *Project operation*: Substantially all of the capacity under development through our new utility scale projects is in states where we are already present, enabling more efficient O&M coverage. Given the size of our project portfolio, we can also negotiate more effectively with our O&M service providers. Our scale allows us to prudently optimize leverage in our operational projects, refinancing them competitively including by securitizing a portion of project cash flows, extending repayment tenors and obtaining additional financing to support further growth.

- *Project acquisition*: We are disciplined in our acquisition strategy and we ensure that our strategy compliments our organic growth strategy. Our financial strength means that we are able to raise funds promptly to pursue and close acquisitions.

We believe that our market profile also enables us to regularly facilitate industry-wide engagement around renewable energy policymaking in India.

Experienced professional management team and strong Board governance

We are led by a professional management team with extensive experience in the renewable energy industry, in-depth understanding of managing renewable energy projects and a proven performance track record. Our senior management team includes Sumant Sinha (Chairman and Managing Director) with oversight across all areas of our business, Ravi Seth (CFO) with responsibility for our finance and treasury strategy, Parag Sharma (COO, Head of Solar and New Business), Balram Mehta (President, Wind and Asset Management) and Ravi Parmeshwar (Chief Human Resources Officer), Vaishali Nigam Sinha (Chief – CSR, Communications and Sustainability Officer), Kailash Vaswani (Deputy CFO), Ajay Bharadwaj (President, New Business), Mayank Bansal (President, Strategy and Operations) and Pushkar Prasad (EVP, Execution Support). We draw on the knowledge of our Board of Directors, who bring us expertise in the areas of corporate governance, business strategy, and operational and financial capabilities, among others. Our shareholders also have extensive experience of investing in the renewable energy industry. This has been key to a number of our growth strategies, including our measured approach to project selection, our expansion into solar energy projects and our developing internal capabilities across several operational areas.

Our high corporate governance standards are monitored by independent and investor-nominated directors. We pay particular attention in adhering to global anti-corruption and anti-money laundering standards and we maintain compulsory internal training requirements and strict vendor onboarding protocols in this area.

We have a well-developed organizational structure, which includes experienced mid-level and field-level personnel. We maintain a focus on implementing and strengthening the requisite project bidding, financing, execution and O&M capabilities across our organization. We employ a significant number of qualified technical personnel, including over 300 engineers engaged in developing and managing our projects as at December 31, 2018.

Strategies

The key elements of our business strategy are the following:

Maintain our market leadership position through diversified growth

We intend to continue to strengthen our market leading position in our core utility scale wind and solar energy businesses by taking advantage of industry and regulatory trends driving growth in the Indian renewable energy industry. Wind energy projects have been moving from a feed-in-tariff structure to an auction bidding structure while solar energy projects are now almost entirely auction bid based. PPAs signed with individual state utilities in wind resource-rich states (solar resources are well distributed in India) also have largely been replaced by offtake agreements signed with SECI or NTPC, which in turn distribute the power purchased to individual states independent of their available wind resource. Consequently, renewable energy demand is increasing across states and supporting the development of larger scale renewable energy projects.

We intend to continue our expansion by actively evaluating inorganic opportunities (including international opportunities). We will evaluate acquisition opportunities based on our targeted returns, operational scale and diversification criteria and whether we consider these opportunities to be available at reasonable prices.

Significant renewable energy capacity is also coming up for auction as the GoI targets to increase renewable energy electricity capacity to 175 GW by 2022 (Source: CRISIL Report). The GoI is also providing support to state electricity utilities as principal offtakers through UDAY which enables government authorities, which own the state electricity distribution companies, to assume and restructure these companies' debt. Our range of wind and solar capabilities across project selection, resource assessment, project funding, land acquisition, project execution and project O&M positions us well to take advantage of these trends in bidding for larger utility scale projects.

We will also look at growth opportunities in the distributed solar market where overall capacity as well as average capacity per site have grown significantly. We believe that our capabilities in distributed solar energy projects will enable us to capture a greater share of this fast growing market which we consider will be a key renewable energy business in the future.

We intend to continue to maintain our diversified growth and portfolio between wind and solar energy projects, targeting geographic adjacency of our projects to increase our economies of scale. We intend to use our scale to continue to negotiate for better procurement and O&M terms from our vendors and more competitive financing and refinancing terms from our lenders. We will aim to continue to maintain a sound capital structure and prudent leverage as our business grows and to invest our operating cash flows appropriately to support our growth plans.

Continue to optimize execution and operational efficiencies

We seek to further enhance our project execution efforts in order to control our costs and optimize the output of our projects. At the project execution stage, we will focus on reducing our dependence on external EPC providers for our wind energy projects and continue to build these capabilities internally. Similarly, we intend to continue to develop in-house O&M capabilities at the operational stage to improve project efficiency. We will seek to implement new technologies, including new turbine and solar module technologies, which are capable of higher generation levels, as well as utilize drones and new maintenance technologies as part of enhanced project monitoring and O&M efforts. Our in-house team of technical designers intends to continue to refine and enhance our solar plant design and execution capabilities and to continue to work with leading wind OEMs to deploy new turbine technologies.

We intend to strengthen our diagnostics and performance monitoring capabilities across our wind and solar energy projects. In addition, we intend to invest in advanced monitoring and tracking and predictive analytics technologies with specific applications in operational areas including monitoring equipment condition, advanced failure detection and forecasting and scheduling energy generation. Our asset management team also will continue to focus on maximizing the operating efficiency of our assets as measured by LPF.

We intend to continue to build our in-house transmission capabilities in respect of our solar energy projects, relying on our own EPC teams for the development of transmission lines in addition to external EPC providers to further control costs on such projects. We will also evaluate new energy storage solutions and associated technologies to further increase project operational efficiencies.

Continue to diversify and optimize our financing portfolio

We will aim to maintain a diversified financing portfolio comprised of different pools of capital in order to maintain our financial flexibility and stability as well as balance investment risk and return. We intend to constantly evaluate our requirements for additional equity capital to support our pursuit of new projects as part of our growth plans. We will also seek to optimize our utilization of internal accruals and cash flows continuously.

We seek to continue to manage our borrowing costs with a focus on cost effective financing and refinancing structures, including our repayment tenors and the balance between our fixed and floating rate instruments. We will continue to maintain a measured and careful balance between fixed and floating rate debt. We intend to regularly refinance our operational projects to increase our borrowing limits and reduce our overall debt service costs. We also intend to maintain our strategy of efficient capital deployment aligned with our growth plans and project commitments.

Continue to effectively manage risk through strong corporate governance

We intend to continue to implement our corporate government framework to manage and oversee risks faced by the Group. We seek to continue to comply with our robust quality, health, safety and environment practices, including international finance corporation performance standards and environmental and social management systems which are implemented across the Group. We also intend to maintain our strong corporate governance practices including through the check and balances established by our key committees (which include our audit, nomination and remuneration and social responsibility committees), and through continuing to comply with our polices on (including but not limited to), insider trading, related party transactions and hedging. Under our hedging policy, we fully hedge interest rate risk on long term foreign currency borrowings.

Our Projects

We develop and operate utility scale wind and solar energy projects, as well as distributed solar energy projects, across India.

Utility Scale Wind and Solar Projects

The table below sets forth our utility scale operational and under development capacity as at December 31, 2018:

	Utility Scale Wind Projects			Utility Scale Solar Projects			Total (Utility Scale Wind and Solar Projects)	
States	**Operational**	**Under Development**	**Total**	**Operational**	**Under Development**	**Total**	**Total (Operational and Under Development)**	**Percentage**
				(in MW, except for percentages)				
Andhra Pradesh	717.40	–	717.40	60.00	–	60.00	777.40	12.19%
Gujarat	361.20	975.90	1,337.10	40.00	–	40.00	1,377.10	21.59%
Karnataka	651.80	300.00	951.80	390.00	460.00	850.00	1,801.80	28.25%
Maharashtra	360.15	75.00	435.15	–	250.00	250.00	685.15	10.74%
Madhya Pradesh	477.00	–	477.00	101.00	–	101.00	578.00	9.06%
Rajasthan	357.80	–	357.80	90.00	50.00	140.00	497.80	7.81%
Telangana	–	–	–	560.00	–	560.00	560.00	8.78%
Tamil Nadu	–	–	–	–	100.00	100.00	100.00	1.57%
Total	**2,925.35**	**1,350.90**	**4,276.25**	**1,241.00**	**860.00**	**2,101.00**	**6,377.25**	**100.00%**

Note: That part of a project for which a commissioning certificate has been issued is considered "Operational." That part of a project for which equipment purchase contracts have been entered into or, in the case of projects won under competitive bidding, for which a letter of award has been received and/or a PPA has been signed, is considered "Under Development."

The Restricted Group has projects spread over five states across India. The following table shows the capacity details of the Restricted Group's projects among the five states as at December 31, 2018:

	Utility Scale Wind Projects	Utility Scale Solar Projects	Total (Utility Scale Wind and Solar Projects)	
States	Operational	Operational	Total	Percentage
	(in MW, except for percentages)			
Karnataka	71.40	160.00	231.40	36.40%
Maharashtra	49.50	–	49.50	7.79%
Madhya Pradesh	–	51.00	51.00	8.02%
Rajasthan	160.80	–	160.80	25.29%
Telangana	–	143.00	143.00	22.49%
Total	**281.70**	**354.00**	**635.70**	**100.00%**

We have steadily grown our operational capacity both organically and through acquisitions. The table below sets forth additions to our operational capacity organically and through acquisitions in the periods indicated:

	For the year ended March 31,					For the nine months ended December 31,
	2014	2015	2016	2017	2018	2018
	Additions in Operational Capacity (in MW)					
ReNew Power *(Organic Capacity Addition)*						
Utility scale wind	254.65	156.00	330.00	612.50	286.90	2.1
Utility scale solar	–	–	110.00	342.00	649.00	–
Distributed solar	–	1.11	1.14	6.40	34.41	27.34
Capacity Addition through Acquisitions[1]						
Ostro Energy						
Utility scale wind	–	–	–	–	748.10	226.00
Utility scale solar	–	–	–	–	110.00	–
KCT						
Utility scale wind	–	–	–	–	103.10	–
Utility scale solar	–	–	–	–	–	–
SREI						
Utility scale wind	–	–	–	–	–	60.00
Utility scale solar	–	–	–	–	–	–
Others						
Utility scale wind	–	–	–	12.00	–	–
Utility scale solar	–	–	–	30.00	–	–
Total operational capacity at end of the year ended March 31/period	**388.65**	**545.76**	**986.90**	**1,989.80**	**3,921.31**	**4,236.75**

(1) Acquired projects included under operational capacity in the year of acquisition.

The table below sets forth the percentage of total capacity of our utility scale projects split by type of project as at December 31, 2018:

Type of Projects			
Utility Scale Wind Projects (Operational and Under Development)	**(%)**	**Utility Scale Solar Projects (Operational and Under Development)**	**(%)**
Bid	36.88%	Bid	92.38%
Feed-in-tariff	58.78%	Open Access	7.62%
Group Captive	3.75%		
APPC/REC[1]/Open Access	0.59%		
Total	**100.00%**	**Total**	**100.00%**

(1) For further details on RECs, see "*Regulation-Renewable Energy Certificates*"

Distributed Solar Projects

Distributed solar is our fastest growing business line with high growth potential in terms of our ability to scale operations and expand our commercial and industrial customer base. Distributed solar also gives us access to additional market segments, including residential consumers. The large untapped potential, relatively lower competition and less complex regulatory framework, as well as shorter overall receivable periods and good credit profile of our offtakers in this vertical, make this an attractive business for us.

We commissioned our first distributed solar energy project in July 2014, and have since scaled up to 70.40 MW of aggregate distributed solar operational capacity as at December 31, 2018. As at that date, we had over 350 distributed solar installation sites spread across 53 cities in 17 states in India. As at December 31, 2018, we have a portfolio of about 90 customers. As at December 31, 2018, we worked with over 20 different contractors, 11 O&M service providers and over 35 distribution partners in this business line.

Our growth prospects in distributed solar energy are supported by the GoI's target to add 40.00 GW of power through distributed solar energy projects by 2022. As at December 31, 2018, approximately 3.40 GW of distributed solar energy projects had been commissioned in India (including off-grid/captive solar capacities and an estimated 2.0 GW of roof top capacities for which subsidies are not provided by the Ministry of New and Renewable Energy) (Source: CRISIL Report). According to data from CRISIL Research, around 8 GW of distributed solar energy projects are expected to be commissioned over the next five years. According to data from Bridge to India, we had achieved 8.8% market share in this business line as at September 30, 2018.

Customers

We sell electricity, including RECs, primarily to central government agencies, public utilities and private industrial and commercial consumers (which include consumers under the group captive scheme further described below). The following table sets forth our offtaker profile as a percentage of our operational and under development capacity as at December 31, 2018.

Offtaker State and Counterparty

Utility Scale Wind Projects (Operational and Under Development)	(%)	Utility Scale Solar Projects (Operational and Under Development)	(%)	Utility Scale Solar and Wind Projects (Operational and Under Development)	(%)
State		State		State	
Andhra Pradesh[1]	16.78%	Andhra Pradesh[1]	2.86%	Andhra Pradesh[1]	12.2%
Gujarat[2]	3.41%	Gujarat[2]	–	Gujarat[2]	2.3%
Karnataka[3]	11.44%	Karnataka[3]	30.46%	Karnataka[3]	17.7%
Maharashtra[4]	10.18%	Maharashtra[4]	11.90%	Maharashtra[4]	10.7%
Madhya Pradesh[5]	11.15%	Madhya Pradesh[5]	4.81%	Madhya Pradesh[5]	9.1%
Rajasthan[6]	8.37%	Rajasthan[6]	0.48%	Rajasthan[6]	5.8%
Telangana[7]	–	Telangana[7]	21.89%	Telangana[7]	7.2%
Tamil Nadu[8]	–	Tamil Nadu[8]	4.76%	Tamil Nadu[8]	1.6%
Central Agency		Central Agency		Central Agency	
(SECI/PTC/NTPC)	34.29%	(SECI/NTPC)	15.23%	(SECI/PTC/NTPC)	28.0%
Private counterparty	4.39%	Private counterparty	7.62%	Private counterparty	5.4%
Total	**100.00%**	**Total**	**100.00%**	**Total**	**100.00%**

(1) Andhra Pradesh includes APSPDCL

(2) Gujarat includes GUVNL and NVVN

(3) Karnataka includes BESCOM, MESCOM, HESCOM and GESCOM

(4) Maharashtra includes MSEDCL

(5) Madhya Pradesh includes MPPMCL

(6) Rajasthan includes JDVVNL, JVVNL, AVVNL and RREC

(7) Telengana includes TSSPDCL and TSNPDCL

(8) Tamil Nadu includes TANGEDCO

Power Purchase Agreements

Our projects benefit from long-term PPAs, thereby enhancing the offtake security and long-term visibility of our revenues. We have entered into PPAs with state electricity distribution companies, other government agencies and commercial and industrial customers. As at December 31, 2018, 89% of the PPAs signed had a term of 20 to 25 years and 11% of them had a term between 8 to 20 years.

In relation to utility scale wind and solar energy projects, the terms of our PPAs with central government agencies and state electricity distribution companies are generally for 25 years from the commercial operation date of the project (with PPAs in certain states having terms of 8, 10, 13 or 20 years). As at December 31, 2018, approximately 89% of our wind and solar capacity had PPAs primarily with central government agencies and state electricity distribution companies in the 20 to 25 year range, while some of the PPAs for our projects in Maharashtra had terms of 13 years. 92.38% of our utility scale solar PPAs have a term of 25 years from the commercial operation date.

With commercial and industrial customers, including with group captive and open access and other third party consumers, our PPAs are typically for a range of 8 to 25 years, including the PPAs we enter into in relation to our distributed solar energy projects and under most of which the solar power generating equipment may be purchased by our customers.

Tariff rates for our PPAs for utility scale wind and solar energy projects are determined under a feed-in-tariff ("FiT") or a bidding regime or are bilaterally agreed with third party offtakers. The majority of these PPAs provide for fixed tariff rates. In a few PPAs, the tariff is subject to escalation provisions. Our PPAs for distributed solar energy projects provide for both fixed and differential tariffs. For further details, see "*Management's Discussion and Analysis of Financial Conditional and Results of Operations – Significant Factors Affecting the Group's Results of Operations – Power Purchase Agreements and Tariffs*."

Our PPAs include restrictions on contracted capacity and changes in management and ownership of the project SPV undertaking the relevant project (including changes in the specified minimum equity shareholding of our Company in such project SPV).

Events of default under the PPAs typically include failure or delay in commissioning, failure to supply power post the commercial operation date, failure to supply the minimum contracted power as defined in the relevant PPA, inability to meet our performance guarantees, assignment or transfer of assets or rights under the PPAs in contravention of the terms thereof, liquidation, the project SPV's insolvency or similar events, and failure to operate and maintain our projects in accordance with the terms of the PPAs. Upon the occurrence of an event of default, we may face adverse consequences such as specific performance of the PPAs, termination of the PPAs, payment of liquidated damages, imposition of penalties, and exercise of step-in rights by our lenders or rights to replace our Company or project SPV as operator of the project. Most of our PPAs also provide for relief to the party affected by a change in law or a *force majeure* event.

Development Process

There are several key activities that occur sequentially or concurrently before and throughout our development efforts as our projects move from being actively under development through to operation.

Review of Data and Resource Assessment

We conduct wind or solar resource assessments of the proposed project site to estimate the annual energy production of a proposed wind or solar project. We conduct resource assessments at the earliest stage of the development process, using a variety of wind and solar resource assessment tools, including both in-house resources as well as resources available to the wider industry.

An initial assessment of favorable wind and solar resource potential is conducted for each potential site by reviewing publicly available wind and solar maps. Our in-house assessment teams then use wind and solar flow modelling tools to estimate potential wind speeds, irradiation levels and other indicators of energy levels. Our assessment teams seek to correlate the wind and solar data collected on-site with long-term weather patterns using weather prediction models of the atmosphere at the proposed project site. We also employ the services of wind resource assessment firms, including DNV. GL, TÜV Rheinland (India) Pvt. Ltd., AWS True Power and 3TIER R&D India Private Limited to conduct and validate our own wind resource assessments and use independent solar resource assessment software including from 3TIER R&D India Private Limited for our solar resource assessments.

Wind Resources

Generally, our wind resource assessment processes are driven by the collection and analysis of available data to estimate power generation potential. If the results of our initial assessments are positive, we obtain permits from the relevant state governments to install meteorological masts to obtain long-term site-specific wind data and make wind resource estimates. Our own mast field team owns and maintains our meteorological masts. As wind data can vary significantly even within a project site, a number of meteorological masts at multiple heights are typically installed at varying locations, or transferred from one site location to another to measure wind data over different periods of time.

Wind resource assessment facilitates:

- Micrositing of projects, i.e. the placement of wind turbines at the coordinates determined to be the most efficient for energy production;

- Energy analysis in terms of gross and net energy estimates;

- Understanding uncertainty in terms of inter-annual variability, conversion of wind speed uncertainties to energy uncertainties and project uncertainties; and

- Making recommendations regarding the turbine technology, layout, hub-height and rotor diameter to be used.

For details on annual wind speed variation for wind-generating states, see "*Industry Overview.*"

Solar Resources

Generally, solar resource is significantly more uniform and predictable than wind resource. The databases and software publicly available for assessing solar resource are substantially comprehensive, reflecting a higher degree of accuracy than analogous sources typically provide for wind resource. Accordingly, we find available databases and software to be substantially adequate for all of our solar resource assessment purposes.

Land Procurement

Once a given site project is identified and the assessments and studies described above are complete, the land acquisition process will generally be administered by our in-house land team, working with third party aggregators or developers and EPC contractors as required. For turnkey wind energy projects, once a suitable site is identified and the assessments and studies described above are complete, the land acquisition process is undertaken by the OEMs, in close consultation with our land team, and also by us for some of our projects that are currently under development.

Generally, the land title procurement process begins with land assessment and feasibility studies even before development of a given project while closing can occur at any point in the project development cycle. Upon successfully winning a bid, we commence the process to secure land titles or attain the relevant land rights for land needed to construct and operate our projects, including those associated with turbines or solar plants, transmission and interconnection lines and access roads and facilities. We receive assistance from land aggregators or intermediaries to help secure the rights to the land and facilitate the procurement process.

We generally enter into conveyance deeds with landowners to secure the necessary title to build on the site, including meteorological masts, roads, electric lines and substations, turbines or solar plant and O&M and other associated facilities. Ownership of each project site (apart from government revenue land or forest land under Indian law wherein we enter into long-term leases) allows us to facilitate our efforts to ensure wind energy project optimization to maximize power generation. Further, we obtain necessary approvals such as conversion certificates from the relevant government departments for use of land for non-agricultural purposes, forest clearances and environmental approvals as applicable. Occasionally, such as in case of solar parks, the developer is solely responsible for land acquisition and various approvals.

Approvals

Upon identifying and acquiring a high potential site, we begin the approvals process with relevant local and state agencies. For certain types of approvals the process continues throughout the various stages of project development.

The approvals process includes identifying required permits, holding preliminary meetings with relevant state and central agencies and stakeholder groups, determining which studies will be needed in connection with approvals applications and conducting the studies, preparing permits and disclosure reports, participating in public meetings, and responding to information requests and seeking project approvals from the state or central government bodies.

Transmission and Interconnection

Since the availability of transmission infrastructure and access to a power grid or network are critical to a project's feasibility, either we (acting by ourselves or through third party agencies we hire), or the EPC contractor for a given project will determine transmission capacity using both public sources and our own data.

Grid integration studies are conducted at this stage by simulating the variable renewable energy output generated from proposed wind and solar projects under different scenarios, identifying reliability constraints and evaluating the cost of measures to alleviate those constraints.

If existing transmission infrastructure is available, we or the EPC contractor for a given project attempt to secure access to such infrastructure when selecting a potential site for development as part of our development activities. We or the relevant EPC contractor discuss availability with relevant public transmission utilities and apply to the appropriate independent system operator, local electric utility, or central electric utility to interconnect with the grid network. If transmission infrastructure does not already exist, is inadequate or otherwise unavailable, we investigate the feasibility of developing and constructing the required systems to establish the grid interconnection point generator ourselves. Infrastructure that we may develop may be subsequently transferred to the relevant system operator or electric utility depending on the particular interconnection approval granted. Power from our wind and solar farms is typically evacuated to the relevant grids through high voltage 33/66/110/132/220/400 kV transmission lines systems from dedicated pooling stations, which results in stable energy transmission and minimizes grid instability and losses.

Project and Bid Assessment

Feed-in-Tariff

While the renewable energy landscape in India shifted away from a FiT structure to an auction bidding structure, we maintain internal protocols which help guide our FiT assessment for many of our wind energy projects.

For projects on a turnkey model, we analyze the asset proposal from the relevant OEM supplier, which generally includes an energy yield estimation report, site suitability reports, on-site wind mast data, evacuation details and indicative project cost. A preliminary assessment of OEM assumptions is carried out based on our experience and market intelligence in the relevant region. We then evaluate power evacuation feasibility and the available wind resource data in-house based on our regional experience and with the help of software. We also assess the impact of the regulatory and policy framework in place at that time.

The proposal prepared by the business team is analyzed and tested against relevant technical, legal and financial considerations by a subgroup reporting to the Investment Committee and is then presented by the subgroup to the Investment Committee along with its evaluation of risks. If the Investment Committee is satisfied, it gives its preliminary approval to enable signing of a term sheet. Thereafter, we engage external parties in preparing wind and evacuation infrastructure studies. A final evaluation is then carried out using relevant information gathered. Aspects covered include land profile, land access, evacuation feasibility, expected site PLF, grid availability and potential execution, regulatory and other risks.

After negotiating preliminary commercial terms with the OEM and accounting for information related to wind resource, evacuation and execution as well as offtaker credit profile, if the proposed FiT based project is deemed to be internally viable based on the above factors our Investment Committee may grant its final approval for the project.

Bidding

The bidding process for capacity allocations by government agencies is typically conducted in two stages. In the first stage, eligible and prospective bidders are shortlisted. In the second stage, the shortlisted bidders take part in a live online reverse auction to bid for capacity by submitting tariffs through an online portal. The bidder quoting the lowest bid is selected.

The objective of the first stage is to identify credible bidders who have the requisite technical and financial capacity to undertake the project. The bidding documents, including a draft PPA and other information pertaining to the project, are provided to every bidder on payment of a processing fee. Respondents do not have to incur significant expenses in preparing a response. In addition to the processing fee, a bidder will be required to deposit a bid security in the form of a demand draft or a bank guarantee.

The information sought from bidders in the first stage for the purposes of pre-qualification is generally restricted to technical and financial capabilities that are relevant to the project. In the case of a bidding consortium, the financial eligibility criteria are typically fulfilled by the lead member or parent company of the lead member, while the technical eligibility criteria are fulfilled by consortium members. Only those applicants that are shortlisted are invited to participate in the second stage of the bidding process. The number and nature of the bidders shortlisted for the second stage are based on, among other things, initial bid tariffs and quantity of bidders.

Bidders are requested to have carried out their own surveys, investigations and other detailed examination of the project before submitting their bids, including ascertaining the site conditions, evacuation feasibility, location, surroundings, climate, availability of power, water and other utilities for construction, site access, handling and storage of materials and weather data.

Bid Assessment

We utilize a multi-pronged process to effectively track all bid policies and bid updates in the market. Once a tender is identified, the relevant information about the bid is discussed with our finance, regulatory and technical teams. Our Investment Committee is required to approve our participation in the bid, bid capacity and tariff, following which the bid proposal is placed before our Board of Directors for their final approval.

A number of factors are considered in our assessment of potential bids, including the credit rating of the state distribution utilities, ease of doing business in the relevant state, availability and ownership of land, wind and soil conditions and variability and solar irradiation levels (as appropriate) at the location of the project, land and capital costs, payment cycles, ease of construction, required wind turbine size, climate, topography and other location coordinates. We also evaluate the opportunity on the basis of the capacity being offered, grid connectivity and evacuation infrastructure, including assessing distance to the nearest substations and the capacity of the substations to evacuate the power produced.

As part of all stages of project and bid assessment, we conduct financial evaluations to determine asset and equity rates of return, expected project cost, sensitivity analyzes based on realizable tariffs, financing costs and O&M costs. We only bid for projects that we consider will meet internally determined rate of return thresholds commensurate with the risk profile of the bids. If a bid is won, a letter of award (LOA) is issued and the PPA is signed subsequently.

As is the case with FiT based projects, for bid based projects we follow a two stage approval process wherein an initial approval is provided for the financial bid (which covers bid capacity and tariff) and technical bid for the purpose of being shortlisted and a final approval is provided prior to the commencement of the auction process.

M&A and Investment Appraisal

We use the same approach in assessing potential bids to assess proposed M&A and investments in existing projects. Financial, tax, land, technical and legal due diligence is conducted on the relevant asset. Each asset under consideration is further evaluated by our internal development and O&M teams, as well as by external consultants. Assessments of project design performance are evaluated against the asset's historical performance. Current and future performance risks are also assessed. Detailed exercises are undertaken to assess required additional capital expenditure and operating expenditures for the residual lifespan of the specific asset. The resulting proposal is then sent to the Investment Committee and, subsequently, the Board for their approval. Upon approval, investments are continuously monitored.

Equipment Procurement

We acquire key equipment such as turbines and solar modules by contracting with a diverse group of leading suppliers such as Siemens Gamesa Renewable Power Private Limited, Suzlon Energy Limited, First Solar FE Holdings Pte Ltd, Schneider Electric India Pvt Ltd, Bonfiglioli Renewable Power, ABB India Limited, Wind World (India) Limited (formerly Enercon India Limited) and Hareon International Co. Limited. Other key equipment for our solar energy projects, including inverters, transformers and trackers, are procured from leading suppliers such as Sungrow Power Supply Co., Zhongli New Energy (Hong Kong) Investment Limited, Hefei JA Solar Technology Co. Ltd. and SMA Solar Technology AG. We have rigorous vendor evaluation and quality control processes to ensure we are procuring equipment manufactured to high standards.

We analyze the wind data (for wind energy projects) or irradiation data (for solar energy projects) from each project site in order to determine the specifications of the equipment we require. Once a decision is made on the most appropriate equipment for the site, we order the equipment from the supplier that we feel best suits our requirements based on factors such as price, warranty and insurance programs, equipment degradation rate, technical support and the reputation of the supplier.

Construction and Commissioning

For our wind energy projects, construction consists of turbine installations and the construction of the rest of the facility (referred to as the "balance of plant"), which includes transmission lines and the substation. We generally enter into turnkey EPC contracts with OEMs for manufacturing, installing and commissioning wind turbines and the balance of plant. On some occasions, we have also developed wind energy projects on our own or jointly with the OEM where we (with the OEM) are responsible for construction and development of the plant. The construction of the balance of plant is carried out concurrently with the erection of the wind turbines.

For our solar energy projects, construction consists of design engineering, structure, module and inverter installations, sub-station construction, interconnection work, and construction of the balance of plant. We have an in-house EPC team that undertakes all construction activities through to commissioning. For some projects, we outsource certain construction activities to third-party vendors. The contractors provide the management, supervision, labor, certain materials, tools, engineering, mobilization, testing and other services required to construct the project.

Construction typically takes approximately six to eighteen months for our wind energy projects, and four to twelve months for our solar energy projects. Our projects team supervises and oversees all aspects of construction.

Once a given wind energy project is functional tests are conducted as part of the commissioning process on each turbine's operation, and integration within the project and with the transmission system.

For solar energy projects, commissioning involves testing of inverters and power transformers and integration within the project as well as with the transmission system. Once our wind or solar energy projects are transmitting electricity to the relevant grid, the commissioning certificates are obtained from the required state and central government authorities.

Operations and Maintenance – Wind

We enter into contracts with providers of O&M services in relation to our wind energy projects for a period of five to twenty years (in which generally the first two years are provided free) with a renewal option provided in certain cases. Such contracts provide for fixed annual fees for the provision of O&M services which may be subject to escalation at pre-determined rates.

The O&M contractors typically extend minimum available guarantees with regard to the performance of the wind turbines and compensate us for any shortfalls in machine availability, subject to an annual monetary limit which is typically a percentage of the annual fees. The services provided by the O&M contractor include coordination and liaison with relevant state electricity boards and other government authorities, management and maintenance services (including with respect to evacuation infrastructure) and technical services including reporting, testing and inspection. These O&M contracts may be terminated by either party upon the occurrence of an event of default which includes bankruptcy or insolvency of the other party, failure by the other party to discharge obligations, assignment by the O&M contractor of the contract in contravention of the terms thereof, and material breach of the terms of the contract by the other party.

We are currently developing in-house capabilities to operate and maintain our wind turbines. This will provide us with the flexibility to directly operate and maintain the turbines, extend the existing agreements with suppliers or enter into new service agreements with other suppliers.

While the turbine manufacturer provides on-site operation and maintenance of the turbines and the balance of plant including pooling stations, we are required to ensure compliance with regulations and obtain and maintain insurance.

In general, the average life expectancy of wind turbines is approximately 25 years.

Operations and Maintenance – Solar

We generally engage our in-house O&M team to perform O&M services for our utility scale solar energy projects. From time to time, we also enter into O&M contracts to engage third parties as contractors for our utility scale solar energy projects. Such O&M contracts are generally for a period of two to five years and include provision of various services, including module cleaning, clearing ground cover (to ensure that solar resource is adequately captured by the solar array and efficiently converted into energy), solar array performance monitoring and maintenance of the balance of plant. Our O&M contracts provide for fixed annual fees for the provision of services, which, in most cases, are subject to annual escalations at pre-determined rates.

Such O&M contracts generally set target performance thresholds evaluated annually with pre-agreed performance guarantee rates. In the event the performance guarantee rate is not met, the O&M contractor is generally liable to pay compensation as per the contract terms. Further, these O&M contracts may be terminated by either party upon the occurrence of an event of default which includes bankruptcy or insolvency of the other party, failure by the other party to discharge obligations, assignment of the contract by the other party in contravention of the terms thereof, and material breach of the terms of the contract or misrepresentation by the other party. The liability of the parties under the O&M contracts is typically limited to the value of the contract.

In respect of our distributed solar energy projects, we typically execute contracts to engage third party O&M contractors. Such contracts have terms of three to five years and govern the scope of services to be provided by the contractor.

In general, the average life expectancy of solar power plants is up to 25 years.

Financing

Funding for our projects is typically obtained during the development and operational phases. Debt at each project is financed through short-term recourse debt, which means that, with limited exceptions, the lenders are secured and typically have recourse against the assets being financed, but have no or only limited recourse to our other assets. In addition, we also have a focused refinancing strategy, whereby once the project is operational, we look to refinance existing loans to extend tenors, increase borrowing limits, and reduce interest rates.

We obtain debt for our projects through multiple sources such as commercial banks (both state owned and private sector banks), non-banking financial companies, infrastructure debt funds, domestic and international capital markets, and development finance institutions that have the expertise to evaluate the risks associated with the construction and operation of a renewable energy project, including evaluation of the equipment technology, construction, operation and wind and/or solar resources. We have raised US$475 million of Rupee-denominated "masala bonds." Our project SPVs have term loans with tenures ranging between three and twenty three years and debentures with tenors ranging between five and eighteen years. Our weighted average interest cost of borrowings as at March 31, 2018 and December 31, 2018 was 10.3% and 10.4%, respectively.

For more details on our project financings, see "*Management's Discussion and Analysis of Financial Conditional and Results of Operations – Indebtedness.*" Certain of our projects also include equity investments from third parties.

Equipment Suppliers

The following table sets forth our OEM suppliers for wind turbines and solar panels based on contracted capacity as at December 31, 2018:

Utility Scale Wind Projects – Contracted Capacity[1]	(%)[2]	Utility Scale Solar Projects – Contracted DC Capacity[1]	(%)[3]
Suzlon Energy Limited	22.18%	First Solar FE Holdings Pte. Ltd.	6.2%
Siemens Gamesa Renewable Power Private Limited	41.42%	Hareon International Co., Limited	14.8%
Senvion GMBH	2.37%	Hanwha Q Cells (QIDONG) Co. Ltd.	10.0%
ReGen Powertech Private Limited	5.68%	Canadian Solar International Limited	13.6%
Inox Wind Limited	5.52%	Hefei JA Solar Technology Co. Ltd.	21.7%
Wind World (India) Limited	5.24%	Trina Solar Energy Development Pte Ltd.	3.5%
KGEPL Engineering Services Private Limited (formerly known as Kenersys India Private Limited and now part of Senvion)	0.65%	Zhongli New Energy (Hong Kong) Investment Ltd.) (Talesun)	8.5%
GE India Industrial Pvt. Ltd.	7.93%	Renesola Singapore Pte Ltd.	3.0%
Vestas Wind Technology India Pvt. Ltd.	8.18%	Risen Energy Co. Ltd	0.7%
Envision Energy Limited	0.83%	Longi Solar Technology Co. Ltd.	4.6%
		Vikram Solar Limited	5.7%
		ZNShine PV-Tech Co. Ltd	5.4%
		JinkoSolar	2.3%
Total	**100.00%**	**Total**	**100.00%**

(1) Contracted capacity includes operational and under development capacity for which equipment purchase contracts have been entered into.

(2) The above percentages are based on 4,276 MW of contracted capacity of utility scale wind energy projects as at December 31, 2018.

(3) The above percentages are based on 2,035 MW of contracted DC capacity of utility scale solar energy projects as at December 31, 2018.

Wind Energy Project Suppliers

Operating equipment for wind energy projects primarily consists of turbines, inverters, transformers and turbine costs represent the majority of our wind energy project investment costs. Our turbine supply strategy is largely based on developing strong relationships and establishing framework agreements with leading turbine suppliers. We have purchased wind turbines mostly from Suzlon Energy Limited, Siemens Gamesa Renewable Power Private Limited, Senvion GMBH, ReGen Powertech Private Limited, Inox Wind Limited, Wind World (India) Limited, KGEPL Engineering Services Private Limited, GE India Industrial Pvt. Ltd. and Vestas Wind Technology India Pvt. Ltd.

Solar Energy Project Suppliers

Operating equipment for solar energy projects primarily consists of solar module panels, inverters, cables, solar mounting structures, trackers, transformers and the evacuation system. We purchase major components such as solar module panels and inverters directly from multiple manufacturers. There are several suppliers in the market and we select our suppliers based on expected cost of equipment purchased, reliability, warranty coverage, ease of installation and other ancillary costs. Our primary solar module panel suppliers are First Solar FE Holdings Pte. Ltd., Hareon International Co., Limited, Hanwha Q Cells (QIDONG) Co. Ltd., Canadian Solar International Limited, Hefei JA Solar Technology Co. Ltd., Trina Solar Energy Development Pte Ltd., Zhongli New Energy (Hong Kong) Investment Ltd., Renesola Singapore Pte Ltd., Risen Energy Co. Ltd., Longi Solar Technology Co. Ltd. and Vikram Solar Limited. We also source solar mounting structures and trackers from vendors such as Arctech Solar Holding Co. Ltd., and engage certain engineering services of SgurrEnergy India Private Limited.

We typically enter into master contractual arrangements with our major suppliers that define the general terms and conditions of our purchases, including warranties, product specifications, indemnities, delivery and other customary terms. We normally purchase solar module panels and the balance of plant components on an as-needed basis from our suppliers at the then prevailing prices pursuant to purchase orders issued under our master contractual arrangements. We generally do not have any supplier arrangements that contain long-term pricing or volume commitments, although at times in the past we have made limited purchase commitments to ensure sufficient supply of components.

Competition

We face competition in the development and acquisition of new projects as well as in the sale of electricity.

Our primary competitors in respect of the development and acquisition of new power projects include both domestic and foreign renewable energy project developers, IPPs and utilities. We compete with renewable energy project developers on the basis of a number of differentiating factors in the industry, including site selection, access to vendors, access to project land, efficiency and reliability in project development and operation, and auction bid terms.

We also compete with both conventional and renewable energy companies for the financing needed to develop and construct projects. In addition, we compete with other conventional and renewable energy companies for a limited pool of personnel with requisite industry knowledge and experience, as well as equipment supplies, permits and land to develop new projects. For further details, see "*Risk Factors – Risks Relating to the Group's Business – The loss of any of our senior management or key employees may adversely affect our ability to conduct our business and implement our strategy*" and see "*Risk Factor – Risks Relating to the Group's Business – We face competition from conventional and other renewable energy producers.*"

Projects of the Restricted Group

The projects comprising the Restricted Group have been selected with due consideration for their stage of operations, diversification by wind and solar as well as by geography and offtaker. The following table sets forth the offtaker profile of the Restricted Group as a percentage of its operational capacity as at December 31, 2018.

Offtaker State and Counterparty Utility Scale Solar and Wind Projects	(%)
State	
Karnataka[1]	11.2%
Maharashtra[2]	7.8%
Madhya Pradesh[3]	8.0%
Rajasthan[4]	25.3%
Telangana[5]	22.5%
Private counterparty	25.2%
Total	**100.00%**

(1) Karnataka includes Hubli Electricity Supply Company Limited ("**HESCOM**") and Gulbarga Electricity Supply Company Limited("**GESCOM**")

(2) Maharashtra includes MSEDCL

(3) Madhya Pradesh includes MPPMCL

(4) Rajasthan includes JDVVNL, JVVNL and AVVNL

(5) Telengana includes TSNPDCL

Diversification of the equipment vendor base, with no single vendor constructing more than 27.1% of the total capacity, and geographical diversification, with no state contributing more than 36.5% of the Restricted Group's installed capacity, further minimize risks across the portfolio.

The Restricted Group's operations are backed by long-term offtake contracts, with 67% of the PPAs signed having a term of 20 to 25 years and 33% of them having a term between 8 to 20 years as at December 31, 2018.

The following table sets forth the Restricted Group's OEM suppliers for wind turbines and solar panels based on contracted capacity as at December 31, 2018:

Utility Scale Solar and Wind Projects – Contracted Capacity[1]	(%)[1]
Suzlon Energy Limited	27.0%
Hareon International Co., Limited	22.5%
Zhongli New Energy (Hong Kong) Investment Ltd.) (Talesun)	16.5%
Wind World (India) Limited	9.0%
First Solar FE Holdings Pte. Ltd	8.0%
ReGen Powertech Private Limited	8.0%
Hefei JA Solar Technology Co. Ltd	6.0%
Hanwha Q Cells (QIDONG) Co. Ltd	3.0%
Total	**100.00%**

(1) Contracted capacity includes operational and under development capacity for which equipment purchase contracts have been entered into.

Utility Scale Solar Projects

The Restricted Group's utility scale solar portfolio consists of projects in the states of Telangana, Karnataka and Madhya Pradesh. As at December 31, 2018, the Restricted Group had a total installed solar capacity of 354 MW in operation as follows:

				Capacity	Weighted average	Offtake Arrangements		
State	**Company**	**Ownership (%)**	**Project**	**Installed Capacity (MW)**	**Commercial Operation Date**	**Offtaker**	**PPA Tenor (in years)**	**Tariff (Rs/kWh)**
Telangana............	ReNew Solar Energy	51%	Dichipally	143	Jul-17	The Northern Power Distribution Company of Telangana Limited	25	5.59
Karnataka............	ReNew Saur Urja	100%	Ittigi	50	Jan-17	3rd Party	8-10	5.00 6.85
Karnataka............	ReNew Saur Urja	100%	Raichur	50	May-17	3rd Party	8-12	4.59 8.00
Madhya Pradesh...	ReNew Clean Energy	100%	MP Solar II	51	Oct-17	M.P. Power Management Company Limited	25	5.46
Karnataka............	ReNew Wind Energy (Budh 3)	100%	Wadgare Nirna Ladha	20 20 20	Dec-17 Mar-18 Mar-18	3rd Party 3rd Party 3rd Party	10* 10* 10*	4.40 8.61

* While one (1) PPA has a tenure of 25 years from commencement of supply, the tariff as per the PPA is applicable for 10 years only. After 10 years, the tariff shall be agreed based on mutual agreement, failing which the PPA may be terminated.

The Restricted Group accounted for 29% of the Group's operational utility scale solar projects in terms of installed capacity as at December 31, 2018.

Details of the Restricted Group's solar projects are as follows:

Dichipally

Dichipally is a 143 MW solar energy project located in Nizamabad District, Telangana. The project is owned and operated by ReNew Solar Energy, which is 51% owned by the Company through its wholly owned subsidiary ReNew Solar Power, and 49% owned by Hareon Power Singapore Private Limited. ReNew Solar Energy Telangana entered into a PPA with Northern Power Distribution Company of Telangana Limited for a period of 25 years for the sale and purchase of power generated by the project at a total tariff of Rs.5.59/kWh. Northern Power Distribution Company of Telangana Limited is obligated to maintain a letter of credit in favor of ReNew Solar Energy Telangana in the amount of one month's projected payments, subject to the terms and conditions of the PPA. Each party has a right to terminate the PPA upon the other party's default if such party is not able to mitigate the default during a 60-day conciliation period. Such events of default include either party becoming bankrupt, insolvent or wound-up, either party being in material breach of its obligations under the PPA, the failure of Northern Power Distribution Company of Telangana Limited to pay its electricity bills for a period of 90 days after the due date of payment or ReNew Solar Energy Telangana assigning or transferring its rights or obligations related to the project in a manner contrary to the PPA.

Ittigi and Raichur

Ittigi is a 50 MW solar energy project located in Ittigi, Bellary District, Karnataka and Badami, Bagalkot District, Karnataka. Raichur is a 50 MW solar energy project located in Masaki, Raichur District, Karnataka.

These projects are owned and operated by ReNew Saur Urja, which is 100% owned by the Company through its wholly owned subsidiary ReNew Solar Power Private Limited. ReNew Saur Urja entered into PPAs with third parties including ACC Limited, Goldman Sachs Services Private Limited, the Himalaya Drug Company, Hindustan Unilever Limited, Information Technology Park Limited, Manipal Health Enterprises Private Limited, Manipal University, Marriott Hotels India Private Limited, Mercedes Benz Research and Development India Private Limited, Axiom Propack Private Limited, Island Star Mall Developers Private Limited and Narayana Hrudayalaya, for periods of 8 to 12 years for the sale and purchase of power generated by these projects at tariffs ranging between Rs.4.59-8.00/kWh, with periodic escalations for certain PPAs. Each of the parties has a right to terminate the respective PPA upon the other party's default if the default is not mitigated during the applicable cure period. Typical events of default include the failure of ReNew Saur Urja Private Limited to supply the contracted capacity of electricity under the terms of the relevant PPA, and failure of the offtaker to consume a minimum amount of electricity, in each case other than under an occurrence of force majeure. Other typical events of default under certain of the PPAs include non-payment of electricity bills, failure to maintain bank guarantees, changes in control and insolvency.

MP Solar II

MP Solar II is a 51 MW solar energy project located in District Ashok Nagar, Madhya Pradesh. The project is owned and operated by ReNew Clean Energy, which is 100% owned by the Company through its wholly owned subsidiary ReNew Solar Power Private Limited. ReNew Clean Energy entered into a PPA with MPPMCL for a period of 25 years for the sale and purchase of power generated by the project at a total tariff of Rs.5.46/kWh. MPPMCL is obligated to maintain a letter of credit in favor of ReNew Clean Energy Private Limited in the amount of one month's projected payments, subject to terms and conditions of the PPAs. Each party has a right to terminate the PPA upon the other party's default if such party is not able to mitigate the default during a three month notice period followed by a seven day termination notice period. Such events of default include either party becoming bankrupt, insolvent or wound-up, either party being in material breach of it its obligations under the PPA, the failure of MPPMCL to pay its electricity bills or ReNew Clean Energy Private Limited assigning or transferring its rights or obligations in a manner contrary to the PPA.

Wadgare, Nirna and Ladha

Wadgare is a 20 MW solar energy project located in Wadagera, District Yadgir, Karnataka. Nirna is a 20 MW solar energy project located in Nirna, District Bidar, Karnataka. Ladha is a 20 MW solar energy project located Ladha, District Bidar, Karnataka. These projects are owned and operated by ReNew Wind Energy (Budh 3), which is 100% owned by the Company through its wholly owned subsidiary ReNew Solar Power. ReNew Wind Energy (Budh 3) entered into PPAs with third parties including 24/7 Customer Private Limited, Information Technology Park Limited, MFAR Developers Private Limited, Himatskingka Seide Limited and Toyota Kirloskar Motor Private Limited for periods of 10 years for the sale and purchase of power generated by the project at tariffs ranging between Rs.4.40/kWh and Rs.8.61/kWh with periodic escalation for certain PPAs. Each of the parties has a right to terminate the PPA upon the other party's default if the defaulting party is unable to resolve the default during the applicable cure period. Typical events of default include the failure of ReNew Wind Energy (Budh 3) to supply the contracted capacity of electricity under the terms of the relevant PPA, and the failure of the offtaker to offtake a minimum amount of electricity. Other typical events of default under certain of the PPAs include non-payment of electricity bills and insolvency.

Wind Energy Projects

The Restricted Group's wind portfolio consists of wind energy projects in the states of Maharashtra, Rajasthan and Karnataka. As at December 31, 2018, the Restricted Group had a total installed capacity of 282 MW in operation as follows:

				Capacity	Weighted average Commercial Operation Date	Offtake Arrangements		
State	**Company**	**Ownership (%)**	**Project**	**Installed Capacity (MW)**		**Offtaker**	**PPA Tenor (in years)**	**Weighted average tariff (Rs/kWh)**
Maharashtra	ReNew Wind Energy (Devgarh)	100%	Vaspet-IV	49.5	Nov-14	Maharashtra State Electricity Distribution Company Limited	13	5.79
Rajasthan	ReNew Wind Energy (Rajasthan 3)	100%	Bhesada	100.8	Mar-16	Jodhpur Vidyut Vitran Nigam Limited	25	5.74
Karnataka	Rajat Renewables Limited and Kanak Renewables Limited	100%	Kushtagi	71.4	Apr-18	Hubli Electricity Supply Company Limited/Gulbarga Electric Supply Company Limited	20*	3.72
Rajasthan	Kanak Renewables Limited	100%	SREI	60.0	May-12	Ajmer Vidyut Vitran Nigam Limited/Jaipur Vidyut Vitran Nigam Limited	20-25	4.46-5.18

* extendable to 25 years upon mutual consent between the parties

The Restricted Group accounted for 10% of the Group's operational wind energy projects in terms of installed capacity as at December 31, 2018.

Details of the Restricted Group's wind energy projects are as follows:

Vaspet IV

Vaspet IV Wind Farm is a 49.5 MW wind energy project located at Village Nigdi Khurd, Tal. Jath, Sangli District, Maharashtra. The project is owned and operated by ReNew Wind Energy (Devgarh), which is 100% owned by the Company and has a weighted average commercial operation date of November 2014. ReNew Wind Energy Devgarh entered into PPAs with MSEDCL each for a period of 13 years for the sale and purchase of 49.5 MW power generated by the project at a weighted average tariff of Rs.5.79/kWh without acceleration depreciation. Each party has a right to terminate the respective PPA upon the other party's default (including for the failure or refusal by either party to perform its material obligations under the PPA) if the default is not mitigated during a 30 day cure period, except that the insolvency or bankruptcy of either party constitutes an immediate event of default.

Bhesada

Bhesada is a 100.8 MW wind energy project located at village Karada, Lala, Sanwata, Bheeksar, Chhodia, Lakhmana, Bhopa, Punsar, Mehrari and Bhilani, District Jaisalmer, Rajasthan. The project is owned and operated by ReNew Wind Energy (Rajasthan 3), which is 100% owned by the Company and has a weighted average commercial operation date of March 2016. ReNew Wind Energy (Rajasthan 3) entered into two PPAs with Jodhpur Vidyut Vitran Nigam Limited each of which is for a period of 25 years and for the sale and purchase of 50.4 MW power generated by the project at a tariff of Rs.5.74/kWh without acceleration depreciation. In addition to this tariff, the DISCOM grosses up the invoiced units by 2.5% for transmission losses. Each party has a right to terminate the PPA upon the other party's default, following the expiration of a cure period of not less than 30 days. It is an event of default for ReNew Wind Energy (Rajasthan 3) to fail to supply electricity to the offtaker for a period of three months, and it is an event of default for Jodhpur Vidyut Vitran Nigam Limited to fail to make payment of electricity charges for a period of three consecutive months.

Kushtagi

Kushtagi is a 71.4 MW wind energy project located at Bagalkot and Koppal districts, Karnataka. The project is owned and operated by Rajat Renewables and Kanak Renewables, which are 100% owned by the Company. Of this 69.3 MW was commissioned in March 2018 and 2.1 MW was commissioned in June 2018. Rajat Renewables and Kanak Renewables entered into PPAs with Hubli Electricity Supply Company Limited and Gulbarga Electric Supply Company Limited. Each of the PPAs have an initial term of 20 years for the sale and purchase of power generated by the project at a weighted average tariff of Rs.3.72/kWh. The initial 20 year terms may be extended by a further five years on terms by agreement between the parties. Any such extension is subject to the approval of the Karnataka Electricity Regulatory Commission. In each of the PPAs the parties have a right to terminate the PPA upon the other party's default, following the expiration of a notice period of not less than 30 days. It is an event of default for Rajat Renewables and Kanak Renewables to fail to supply electricity to the relevant offtaker for a period of three consecutive months, and it is an event of default for the offtaker to fail to make payment of electricity charges. The capacity of the project has been downsized from 96.60 MW and the Company is in the process of amending the relevant PPA.

SREI

SREI is a 60 MW wind energy project located at villages Salkha, Modha Ganeshpura, Chhord, Bhakhrani and Sirwa, Jaisalmer District, Rajasthan. The project is owned and operated by Kanak Renewables, which is 100% owned by the Company and has a weighted average commercial operation date of March 2012 for 52 MW and January 2013 for 8 MW. The sub-lease for land on which the project is located has not yet been transferred to Kanak Renewables and Rajat Renewables (the entities which acquired SREI). For more details see "*Risk Factors – Risks Relating to the Group's Business – Growing our wind and solar energy project portfolio through acquisitions may subject us to additional risks that may adversely affect our business, financial condition, results of operations and prospects*". Kanak Renewables entered into a PPA for 52 MW with Ajmer Vidhut Vitran Nigam Limited. We will commence the process of transferring a second PPA for the remaining 8 MW PPA with Jaipur Vidyut Vitran Nigam Ltd from India Power Corporation Limited to Kanak Renewables once sub-lease for land on which this project is located has been transferred to Kanak Renewables. The PPA relating to 52 MW is for a period of 20 years and the PPA relating to 8 MW is for a period of 25 years, and they and are for the sale and purchase of power generated by the project at a levelized total tariff of Rs.4.46/kWh (in relation to the PPA for 52 MW) and Rs.5.18/kWh (in relation to the PPA for 8 MW) without acceleration depreciation. In addition to this tariff, the DISCOM grosses up the invoiced units by 4% for transmission losses. In each of the PPAs, the offtakers have a right to terminate the PPA upon Kanak Renewables' default, following the expiration of a cure period of one month starting from the date of the default notice. It is an event of default for Kanak Renewables to fail to supply electricity to the offtaker for a period of three months.

Environmental, Health and Safety Management

We are committed to the environment and to safe work practices to prevent occupational health and safety risks. To effectively manage these goals through the lifecycle of our projects, we are implementing an Environmental and Social Management System ("ESMS") at both the corporate and project level. The ESMS reflects our view on our environmental, health, safety and social responsibilities, and serves as the framework through which we carry out our comprehensive and organization-wide integrated environmental and social commitments, and assess our environmental and social performance against well-articulated international guidelines goals. We have well defined Health and Safety manual which is followed by all of our projects whether under construction or in operation.

Through the ESMS we seek to guide project level decision making to take into account various overall health and safety risks and environmental and social impacts and to ensure appropriately responsive implementation, training and monitoring frameworks are in place in our project activities and services. Key matters addressed by the ESMS include people development and training, materials and site monitoring and quality control, and stakeholder transparency. The ESMS factors in country level regulatory requirements as well as transnational standards and benchmarks (for example, those of lending entities including the International Finance Corporation (IFC) Performance Standards, the IFC Environmental, Health and Safety Guidelines – Wind Energy, and the Asian Development Bank Safeguard Policy Statement (2009)), with regard to environment, health, safety and social standards.

We are committed to environmentally-friendly energy generation, and all of our facilities comply with pollution, emission and noise norms in force. Our Company has received certifications of OHSAS 18001:2007 and ISO 14001:2015 for health and safety management and environment management systems at our power plants, and we have successfully been re-audited periodically both by internal and external audit agencies. We prepare environmental and social impact assessments for all of the projects under development.

Awards and Achievements

Below is a list of notable awards and achievements we have received over recent years:

Period	Particulars
2018	• Our Company was awarded the Skoch Order of Merit • Our Company was awarded "Project Sponsor of the year" at the Asset Asia Infrastructure awards 2018 • Our Company was awarded "Most Innovative Deal – India" at the Asset Asia Infrastructure awards 2018 • Our Company was awarded "Project Sponsor of the year – Renewable Energy" at the Asset Asia Infrastructure awards 2018 • Our CEO, Sumant Sinha, was awarded the "Champion of Tomorrow" by the CEO Awards 2018 • Our CEO, Sumant Sinha, was awarded a "Leadership Award 2018" by SolarQuarter • Our Company was awarded "Wind Power Project of the Year – India" at the Asian Power Awards 2018 • Our Company was awarded "Independent Power Producer of the Year – India" at the Asian Power Awards 2018 • Our CEO, Sumant Sinha, was awarded "Entrepreneur of the Year" at the Economic Times Awards 2018 • Our CEO, Sumant Sinha, was awarded "Distinguished Alumni Awards 2018" by IIT Delhi for his Contributions in Corporate Business Development and Entrepreneurship • Our Company was awarded "Project of the Year – Renewable Energy" at the Dun & Bradstreet Infra Awards 2018

Period	Particulars
	• Our Company was awarded "Best Wind Developer" at the IPPAI Retreat 2018
	• Our Company was awarded "Best Solar Developer – Runner-up" at the IPPAI Retreat 2018
	• Our Company was awarded "Wind Farm Control Centre of the Year" at the India Wind Energy Forum Excellence Awards 2018
	• Our Company was awarded "Wind Energy Developer of the Year" at the India Wind Energy Forum Excellence Awards 2018
	• Our Company was awarded "Best Performing Project of the Year – Silver" at the India Wind Energy Forum Excellence Awards 2018
	• Our EVP of the wind business, Balram Mehta, was awarded "Inspirational Leader of the Year" at the India Wind Energy Forum Excellence Awards 2018
	• Our Company was awarded "Leadership in Performance – Wind I" at the CII Performance Excellence Awards 2018
	• Our Company was awarded "Excellence in Performance – Solar I" at the CII Performance Excellence Awards 2018
	• Our Company was awarded "Excellence in Performance – Wind I" at the CII Performance Excellence Awards 2018
	• Our Company was awarded "Excellence in Omni-experience" at the IDC Insights Awards 2018
2017	• Our Company was awarded "Energy, Real Estate & Infrastructure" at the EY Entrepreneur of the Year Awards 2017
	• Our Company was awarded the "Outstanding Start-up of the Year" at the Forbes India Leadership Awards 2017
	• Our Company was awarded the "Best Wind Developer" at the Independent Power Producers Association of India ("IPPAI") Power Awards 2017
	• Our Company was awarded the "Wind Energy Developer of the Year – Gold" award at the India Wind Energy Forum Excellence Awards 2017
	• Our Company was awarded the "Wind Farm Control Centre of the Year – Developer" at the India Wind Energy Forum Excellence Awards 2017
	• Our Company was awarded the "Leading Renewable Energy Developer – Solar" at the Renewable Energy India Awards 2017

Period	Particulars
	• Our Company was awarded the "Rooftop Project Developer of the Year – Industrial Project – Silver" at the India Rooftop Solar Congress Awards 2017 under the Rising Star Categories
	• Our Company was awarded the "Infrastructure Company of the Year" at the VC Circle Awards 2017
	• Our Company was awarded the "Runner Up – Project Developer of the Year – Utility Scale" by Solar Quarter at the India Solar Week 2016
	• Our Company was awarded the "Best Wind Developer" at the IPPAI Power Awards 2016
2016	• Our Company was awarded the "Best performing wind farm (above 2 MW)" by Indian Wind Power Association ("IWPA")
	• Our Company was recognized as the "Gold Winner" by the Energy and Environment Foundation at the Global Environment Awards 2015
	• Our Company was awarded the certificate of special recognition in the "Leading Renewable Energy Developers – Wind" category at the Renewable Energy India Awards 2015

Employees

As at December 31, 2018, we employed 748 full-time employees in the following departments:

Department	Number of full-time employees	Percentage
Business Support (includes finance, legal, company secretarial, human resources, execution support, IT, offtaker, billing and management teams)	310	41%
Business Development (includes business development and bidding teams)	28	4%
Design and Engineering (includes design, technical and power evacuation teams)	65	9%
Procurement and Commercial	26	3%
Project Execution	139	19%
Operations and Maintenance (includes project asset management and performance monitoring teams)	156	21%
Quality Health Safety and Environment	24	3%
Total	**748**	**100%**

We consider our relations with employees to be amicable. We have not experienced any material labor disruptions in the past and do not have any unionized employees.

Information Technology

Information technology has emerged as a key business enabler for us and plays an important role in improving our overall productivity, customer service and risk management. Our IT strategy is aimed at integrating our business, organizational capability, customer service, risk management and corporate governance. We have stable, secure and robust IT infrastructure and applications supporting our business and strategic initiatives. Our business critical applications are hosted with Azure and Netmagic cloud data centers certified to international and industry specific compliance standards.

Our business operates on SAP ERP systems for financial management and several business applications for our financing business. We continue to implement automation initiatives on the top of our core applications to streamline our credit approval, collections, administration and monitoring processes to efficiently meet our business process requirements.

Intellectual Property

Our success depends in part on our ability to protect our technology and intellectual property. In the course of our business, we use various financial, business, scientific, technical, economic and engineering information, formulas, designs, methods, techniques, processes and procedures, all of which is protected confidential and proprietary information. We rely on a combination of patent, trade secret, trademark and other intellectual property laws, confidentiality agreements and license agreements to establish and protect our intellectual property rights. We also share some of our technology and know-how with our vendors in connection with the supply of equipment for the development of our projects, and therefore we ensure that we obtain adequate safeguards against any potential intellectual property infringement by our vendors.

Renewable Energy Certificates (RECs)

The CERC issued terms and conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation Regulations in 2010 with a view to enable non-renewable rich states and other obligated entities to meet with the Renewable Purchase Obligations as mandated under the Electricity Act 2003 by way of issuance of transferable and saleable credit certificates. RECs are a type of environmental commodity and represent the green attributes of electricity generated from renewable energy sources, unbundled from the physical electricity. RECs are available for contracts based on average power and purchase cost which is the weighted average cost of procurement of a distribution utility from all sources except short-term power and renewable power. One REC is issued to renewable energy generators for every MWh of electricity fed to the grid and metered at the busbar of the generator for projects set up under the REC scheme, and the two products, one being the attributes embodied in the RECs and the other being the electricity itself, may be sold or traded separately. When an REC is purchased, the owner is considered to have purchased renewable energy. Distribution utilities and consumers can therefore fulfil their renewable energy purchase obligations by purchasing RECs.

Non-solar RECs are sold within a range of a floor price and a forbearance price of Rs.1,000/MWh and Rs.3,000/MWh, respectively, as fixed by CERC. These RECs are traded on two power exchange platforms: Indian Energy Exchange Limited and Power Exchange India. Our income from the sale of RECs was Rs.47 million in the year ended March 31, 2016, Rs.72 million in the year ended March 31, 2017, Rs.156 million in the year ended March 31, 2018 and Rs.50 million in the nine months ended December 31, 2018.

Insurance

We believe our insurance coverage is on comparable terms to that generally carried by companies engaged in similar businesses in India. We may, however, not be insured fully against all the risks associated with our business either because insurance is not available in India or because premiums for some coverage are prohibitive. We maintain "all risk" property insurance coverage in amounts based on the full replacement value of our projects and business interruption insurance that varies from project to project based on the revenue generation projections of each project. Subject to applicable deductibles, our business interruption and property insurance covers breakdowns for our assets. Our Company has also obtained a directors' and officers' insurance policy to cover directors and key management personnel.

Property

Our corporate office, registered office, and branch offices are all situated on leased premises. Our registered office is located at 138, Ansal Chambers II, Bhikaji Cama Place, Delhi 110 066, India, and our corporate office is located at Commercial Block-1, Zone 6, Golf Course Road, DLF City Phase-V, Gurugram 122 009, Haryana, India.

We also manage our operations through four regional offices in Bangalore, Hyderabad, Pune and Bhopal.

Our wind energy projects are located on land we purchase from landowners or our OEMs, and on government revenue and forest land leased by our OEMs from state governments and sub-leased to us. Our OEMs acquire land for our turnkey projects either directly from landowners or by entering into long term leases (with respect to government revenue or forest land) with state governments. The terms of our leases with state governments typically range from 19 to 25 years. To the extent we sub-lease such land from OEMs, the term of our sub-leases with any such OEM will be for the remaining duration of the lease period under the relevant master lease agreement. Our solar energy projects are generally located on land purchased directly from landowners, except some of our projects which are located on government revenue land and for which we have entered into land use agreements with the state governments.

Corporate Social Responsibility

We are committed to promoting inclusive growth and empowering communities through education and the provision of employment opportunities. To this end, we have implemented the ReNew India Initiative. The ReNew India Initiative is focused on three broad areas of community development: human, social and environmental capital. Our flagship programs under the ReNew India Initiative includes the following:

Lighting Lives: A holistic development model for the community, which provides access to electricity by offering off-grid solar based solutions.

Edu Hub: An innovative rural community center focusing on improving education using technology for quality education for children and youth.

ReNew Women India Initiative (ReWIN): A socio-economic empowerment program to encourage rural women to become entrepreneurs through a self-help group model which creates additional employment opportunities for them.

ReNew Scholarship for Exceptional Talent (ReSET): A program to identify talent from under privileged sections and provide a platform to develop their academic and extracurricular talent, with special emphasis placed on girls.

Community-based water management: A community-corporate based partnership to address the need for ensuring access to quality drinking water by the establishment of water filtration units in communities and schools.

In recognition of our Company's various corporate social responsibility efforts, we were awarded the CSR Leadership Award at the National Awards for Excellence in CSR and Sustainability in 2015 (awarded to Vaishali Nigam Sinha, our Chief – CSR, Communications and Sustainability Officer), the Best CSR Impact award by the Indian Institute of Corporate Affairs, Ministry of Corporate Affairs and the CSR Impact of the Year award by NGO BOX in 2016, the CSR Community Initiative Award, India CSR Awards and FICCI Corporate Social Responsibility Awards in 2017 and SVAGRIHA 5 Star rating award for ReNew Edu-Hub in 2018. During the year ended March 31, 2018 and the nine months ended December 31, 2018, we incurred Rs.49 million, Rs.27 million respectively, on corporate social responsibility activities.

Legal Proceedings

The Restricted Group and the Parent Guarantor are occasionally named as a party in various claims and legal proceedings which arise during the normal course of their businesses. The Restricted Group and the Parent Guarantor review each of these claims, including the nature of the claim, the amount in dispute or claimed and the availability of insurance coverage.

In addition, the Parent Guarantor and certain of the Restricted Group entities have received notices from various authorities from time to time, including in relation to labour matters, income tax, local and municipal tax and value added tax. The Parent Guarantor and the relevant Restricted Group entities are in the process of furnishing, or have furnished to the relevant authorities, their replies and the information and/or made payments as required under such notices. Further, some proceedings pertaining to land matters involving the Restricted Group which are not material to the projects or business operations of the Restricted Group have not been included.

Except as disclosed below, the Restricted Group and the Parent Guarantor are not currently subject to any material regulatory, legal or arbitration proceedings which may have or have had a significant impact on their financial position or profitability nor are they aware of any such proceedings that are pending or threatened.

Legal proceedings involving the Restricted Group

1. ReNew Saur Urja

Litigation against ReNew Saur Urja

A. Actions initiated by regulatory and statutory authorities

(i) Bangalore Electricity Supply Company Limited (BESCOM) and others ("ESCOMs") filed petitions before the Karnataka Electricity Regulatory Commission ("State Commission") demanding, among other reliefs, higher surcharge per unit on the open access consumers drawing power from the renewable energy sources. The State Commission, *vide* its order dated May 14, 2018 ("Impugned Order"), levied additional surcharge of 13 paise per unit on the open access consumers procuring power from the renewable energy generators who have been granted concessional wheeling charges. Subsequently, the Parent Guarantor, ReNew Saur Urja (one of the Co-Issuers), ReNew Wind Energy (Budh 3) (one of the Co-Issuers) and ReNew Saur Vidyut Private Limited ("Appellants") filed an appeal on July 2, 2018 before the Appellate Tribunal for Electricity ("APTEL") challenging the Impugned Order on limited grounds, *inter alia,* that the imposition of the charges was in violation of the relevant open access regulations and the Electricity Act, 2003 ("Electricity Act") and that the ESCOMs did not resort to proper forecasting before submitting request for higher surcharges. Accordingly, the Appellants applied for the setting aside of the Impugned Order to such limited extent, for grant of an interim stay on the Impugned Order, and for directing that all open access consumers drawing energy from renewable energy sources shall be exempt from payment of any charges. Subsequently, APTEL granted an interim stay on the Impugned Order. The matter is currently pending.

(ii) The Karnataka Electricity Regulatory Commission ("KERC"), *vide* its order dated July 4, 2014, specified, *inter alia*, the wheeling and banking charges at 5% and 2% respectively, of the injected energy for wind energy generators for projects commissioned on or before March 31, 2018 for a period of 10 years from the date of commissioning ("Wind Order"). Subsequently, *vide* its order dated August 18, 2014, the KERC exempted the wheeling and banking charges and cross subsidy charges for solar power plants ("Solar Order"). However, pursuant to an order dated May 14, 2018 ("Impugned Order"), KERC levied transmission charges, line losses and other charges including banking charges in respect of solar and wind power plants which were commissioned between March 31, 2017 and March 31, 2018. The Parent Guarantor, ReNew Wind Energy (Budh 3) (one of the Co-Issuers), ReNew Saur Urja (one of the Co-Issuers), ReNew Saur Vidyut Private Limited, ReNew Wind Energy (Karnataka) Private Limited, ReNew Wind Energy (AP) Private Limited and others ("Petitioners") filed a petition before the Karnataka High Court on May 28, 2018, praying for the issuance of a direction setting aside of the Impugned Order and grant of an interim stay on the same, on the grounds that the Impugned Order levied charges retrospectively and in contravention of the wheeling and banking agreements entered into by the Petitioners pursuant to the Wind Order and the Solar Order, and that the same was ultra vires the provisions of the Electricity Act and was in violation of Article 14 of the Constitution of India. The Karnataka High Court in its order dated May 29, 2018 granted an interim stay on the Impugned Order. The matter is currently pending.

A. Civil Proceedings

GP Denesh Nayak ("Plaintiff") has filed a suit (O.S. no. 95 of 2018) in the court of Principal Civil Judge and JMFC at Hadagali against ReNew Saur Urja and others ("Defendants"), alleging that the sale of the property (wherein the Plaintiff claims to hold 1/4th share) in the name of ReNew Saur Urja has been effected without his consent and the agreement of sale is not binding upon the Plaintiff. Accordingly, the Plaintiff has prayed for a decree from the court for, among other reliefs, effecting the partition of the property (constituting 1.31% of the project land), declaring title of the Plaintiff over his 1/4th share in the property and giving him possession of the same. The matter is currently pending.

2. *ReNew Solar Energy*

A. Civil Proceedings

(i) Bestha Sailu and others ("Plaintiffs") filed a suit (O.S. no. 24 of 2017) before the Principal Junior Civil Judge at Kamareddy against ReNew Solar Energy, alleging that ReNew Solar Energy encroached upon their property and started digging holes for erecting solar panels illegally. The Plaintiffs have sought relief of perpetual injunction against ReNew Solar Energy to restrain them from interfering with the Plaintiffs' possession over such property (constituting 0.46% of the project land), as well as mandatory injunction against ReNew Solar Energy, directing it to remove all structures and equipment erected on the said property. The Plaintiffs prior to filing of the suit have filed a writ petition in the High Court of Judicature at Hyderabad, against ReNew Solar Energy and others, and sought an order in the nature of a writ of mandamus for declaring the actions of the revenue authorities in not conducting surveys of the property of the Plaintiffs as illegal, arbitrary and violative of the Constitution of India, and for directions to the said authorities to conduct survey and fix boundaries. These matters are currently pending.

(ii) Poreddi Mallaiah and others ("Plaintiffs") have filed a suit (O.S. no. 92/2017) before the Principal Senior Civil Judge at Kamareddy against ReNew Solar Energy and others, alleging that ReNew Solar Energy has taken illegal possession of certain land owned by the Plaintiffs (constituting 1.93% of the project land), by encroachment and by erection of solar panels thereupon, and further alleged that ReNew Solar Energy purchased the said land in its own name by executing false documents. The Plaintiffs have sought a declaration from the court that the Plaintiffs are absolute owners of said land and that the alleged false documents are not binding on the Plaintiffs, along with an application for mandatory injunction against ReNew Solar Energy, directing it to remove all structures and equipment erected on the said property. The matter is currently pending.

(iii) Akiti Anil Reddy ("Plaintiff") has filed a suit (O.S. no. 28 of 2017) in the court of Junior Civil Judge at Kamareddy against ReNew Solar Energy and others ("Defendants"), alleging that the sale of the property (wherein the Plaintiff claims to hold 1/4th share) in the name of ReNew Solar Energy has been effected through sham sale deeds. Accordingly, the plaintiff has prayed for a preliminary decree from the court for effecting the partition and separate possession of the property (constituting 0.94% of the project land), declaring title of the Plaintiff over his 1/4th share in the property and putting him in possession of the same. The matter is currently pending.

B. Criminal Proceedings

A notice was issued by the Inspector of Factories, Kamareddy on May 25, 2017 to ReNew Solar Energy observing certain non-compliances with the provisions of the Factories Act, 1948, and requesting for information. Thereafter, the Inspector of Factories, Kamareddy issued a show cause notice ("Show Cause Notice") dated June 14, 2017 to ReNew Solar Energy stating that upon inspection, certain deviations from the provisions of the Factories Act, 1948 and rules made thereunder were made out, and alleging that no compliance report had been submitted in pursuance of such an observation of deviance. Subsequently, the Inspector of Factories, Kamareddy filed a case in the court of District Munsif cum Special Judicial Magistrate First Class, Kamareddy, alleging contravention of Section 6 and Rules 4(1)(b) and 3(1)(b) under the Factories Act, 1948. Pursuant to the aforementioned, summons were issued by the District Munsif cum Special Judicial Magistrate First Class, Kamareddy under Section 61 of the Criminal Procedure Code, 1973 to the occupier of ReNew Solar Energy requiring his attendance to answer the charge under Section 92 of the Factories Act, 1948. The matter is currently pending.

C. Actions initiated by regulatory and statutory authorities

The Deputy Executive Engineer, Kaleshwaram Project, Gandhari issued a letter dated April 30, 2018 ("Letter") to the Revenue Divisional Officer, Kamareddy for taking necessary action against ReNew Solar Energy, alleging that ReNew Solar Energy has encroached on certain parcels of land in Kankal, Tadwai for a solar power project of ReNew Solar Energy. ReNew Solar Energy, *vide* its letter dated May 23, 2018, responded to the Letter, denying the allegations of encroachment, and submitted that the land parcels were acquired by them in accordance with law after paying adequate sale consideration to the erstwhile owners of the land, and requesting that no unilateral action be taken against ReNew Solar Energy. No further communication has been received from the Deputy Executive Engineer, Kaleshwaram Project, Gandhari.

3. ReNew Wind Energy (Budh 3)

A. Actions initiated by regulatory and statutory authorities

(i) Please refer to paragraph (i) under *"ReNew Saur Urja – Actions initiated by regulatory and statutory authorities"*.

(ii) Please refer to paragraph (ii) under *"ReNew Saur Urja – Actions initiated by regulatory and statutory authorities"*.

4. *ReNew Clean Energy*

A. *Actions initiated by regulatory and statutory authorities*

(i) Madhya Pradesh Power Management Company Limited ("MPPMCL") through its letter dated October 4, 2018 ("Letter") requested for certain information from the Parent Guarantor and further stated that the installed capacity of 68.73 MW DC in respect of the commissioning of the solar power plant located at village Bhansra, District Ashoknagar, Madhya Pradesh was more than the contracted capacity, i.e., 51 MW. In the Letter, MPPMCL stated that a committee had been constituted to give findings on the minimum DC arrays required to achieve the contracted AC capacity. The Letter specified that until such findings were provided, the additional installed capacity over 15% of the contracted AC capacity would be considered for apportioning the monthly energy bills. ReNew Clean Energy, *vide* its letter dated October 8, 2018 ("Response") provided the information as requested in the Letter, responded that the power purchase agreement ("PPA") did not limit DC oversizing and requested that there was no requirement for the formation of a committee. In the Response, ReNew Clean Energy requested payment in accordance with the terms of the PPA without any apportioning. ReNew Clean Energy sent letters dated November 20, 2018 and November 30, 2018 to MPPMCL, stating that the findings of the committee would not be capable of overriding the terms of the PPA, and reiterated its request for payments. MPPMCL in its letter dated November 27, 2018 requested additional information, which was provided by ReNew Clean Energy by its letter dated December 5, 2018. *Vide* its letter dated January 15, 2019, MPPMCL has requested for further information to complete the committee's study of the solar power project. The Parent Guarantor is in the process of providing further information.

(ii) ReNew Clean Energy has filed a petition before the Madhya Pradesh Electricity Regulatory Commission ("MPERC") against MPPMCL seeking revision of tariff payable by MPPMCL under the power purchase agreement ("PPA") dated November 10, 2015 in relation to the 51 MW solar power plant in District Rajgarh, Madhya Pradesh ("Petition"). Under the PPA, ReNew Clean Energy is entitled to approach the MPERC for relief in the event of a 'change of law'. ReNew Clean Energy has accordingly sought revision of tariff on the ground that the introduction of the goods and services tax ("**GST**") has led to an increase in the recurring and non-recurring expenditure for ReNew Clean Energy, and the same constitutes a 'change of law' event under the PPA. The matter is currently pending.

(iii) The Labour Officer, District Guna, Madhya Pradesh issued show-cause notice dated August 21, 2017 ("Show Cause Notice"), alleging violation under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("BOCWA") and the Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") for not obtaining registration certificates under the said acts. ReNew Clean Energy submitted its response *vide* letter dated August 30, 2017, stating that it was facing technical difficulties in submitting online registration under the BOCWA, and that under the CLRA, it was already registered as a principal employer. Subsequently, another notice was issued to ReNew Clean Energy on December 5, 2017, mentioning the response dated August 30, 2017 as inadequate, and requesting ReNew Clean Energy to show cause why proceedings should not be initiated against ReNew Clean Energy, to which ReNew Clean Energy responded *vide* its letter dated December 7, 2017 reiterating its earlier response and stating that the offline application for registration under BOCWA was not accepted by the concerned department. No further communication has been received from the Labour Officer, District Guna, Madhya Pradesh.

Legal proceedings involving the Parent Guarantor

Litigation against the Parent Guarantor

A. Actions initiated by regulatory and statutory authorities

(i) The Competition Commission of India ("CCI") through its letter dated September 20, 2018 ("Letter") initiated an inquiry under Section 20(1) of the Competition Act, 2002 ("Competition Act"), in relation to the Parent Guarantor's acquisition of Ostro Energy Private Limited ("Ostro Acquisition") and the investment by Canada Pension Plan Investment Board ("CPPIB") in the Parent Guarantor ("CPPIB Acquisition") ("Inquiry"). The Inquiry has been initiated by the CCI to investigate whether the Ostro Acquisition required an approval from the CCI.

In the Letter, the CCI also requested for certain information from the Parent Guarantor. Further, in the Letter, the CCI stated that the consummation of a combination without giving a notice to the CCI (under Section 6(2) of the Competition Act) attracts penalty under Section 43A of the Competition Act.

The Parent Guarantor, *vide* letters dated October 22, 2018, October 23, 2018 and October 26, 2018 issued through its authorized signatory, submitted the information requested in the Letter. Subsequently, the CCI in its letter dated November 1, 2018 requested the Parent Guarantor to furnish further details in relation to the Inquiry ("Letter 2"). The Parent Guarantor requested the CCI for additional time to respond to Letter 2, which was granted. Accordingly, the Parent Guarantor through its authorized representative submitted its response to the information requested in Letter 2 along with certain clarifications *vide* letter dated December 11, 2018. No further communication has been received from the CCI, till date.

(ii) Andhra Pradesh Electricity Regulatory Commission ("APERC") passed tariff orders dated August 1, 2015 and March 26, 2016, setting out tariffs applicable for wind power projects pursuant to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff Determination for Wind Power Projects Regulations, 2015 ("AP Wind Regulations") which specified the terms and conditions for tariff determination for wind power projects in the state of Andhra Pradesh for the period from the year ended March 31, 2016 to the year ended March 31, 2020. Subsequently, the Parent Guarantor and its subsidiaries, KCT Renewable Energy Private Limited ("KCT") and Ostro Anantapur Private Limited ("OAPL") entered into power purchase agreements ("PPAs") with the Southern Power Distribution Company of Andhra Pradesh Limited ("APSPDCL") for wind based generation projects, based on the tariff set out in the AP Wind Regulations.

A petition ("Petition") was filed by the APSPDCL and the Eastern Power Distribution Company of Andhra Pradesh Limited (collectively, "AP DISCOMs") against the Parent Guarantor, KCT, OAPL and other wind developers ("Respondents") before the APERC, requesting it to pass on the generation based incentive (GBI) benefits received by the developers to AP DISCOMs. Ostro Andhra Wind Private Limited ("OAWPL") and Ostro AP Wind Private Limited ("OAPWPL") (subsidiaries of the Parent Guarantor) impleaded themselves in the matter subsequently. The APERC in its order dated July 28, 2018 allowed the Petition, permitted the AP DISCOMs to deduct the GBI benefits and only pay the balance of tariff payable to the wind power generators from February 14, 2017 till such GBI benefits were given credit to in the tariff payable ("APERC Order"). Subsequently, the Parent Guarantor filed a writ petition before the Hyderabad High Court challenging the APERC Order ("Writ"). The Hyderabad High Court has, by its order dated August 23, 2018, suspended the operation of the APERC Order. The Writ is currently pending.

(iii) The Karnataka Electricity Regulatory Commission ("KERC"), *vide* its order dated January 9, 2018 ("Order") curtailed the banking period for non-REC route based wind, mini-hydel and solar energy projects from one year as prevalent earlier to six months, making the same applicable to all existing as well as future projects. Subsequently, the Parent Guarantor filed a petition along with a stay application ("Petition") before the Appellate Tribunal for Electricity at New Delhi ("APTEL") against the KERC, Bangalore Electricity Supply Corporation Limited ("BESCOM") and others ("Defendants"), challenging the Order as arbitrary and ultra vires the powers of the KERC, applying to have the Order set aside. The Parent Guarantor sought further reliefs from APTEL, *inter alia,* directing that (i) the banking period for non-REC based renewable energy generators shall be one year calculated on financial year basis; (ii) norms related to banking facility applicable to solar power producers shall not be modified without following due process; and (iii) the Order shall not be applicable to existing wheeling and banking agreements already in force and executed prior to the Order. The matter is currently pending.

(iv) The Parent Guarantor has filed a writ petition before the High Court of Judicature at Hyderabad against Andhra Pradesh State load Dispatch Centre ("SLDC"), Transmission Corporation of Andhra Pradesh Limited ("TRANSCO") and Axis Energy Group ("Axis") seeking a writ of mandamus in relation to the evacuation of power from the Uravakonda Grid Sub-station ("Petition") on the grounds, *inter alia* that the directions issued by SLDC/TRANSCO to the Parent Guarantor to curtail its generation capacity to 69% of its installed capacity while allowing Axis to generate 95% of its installed capacity was discriminatory in nature. In addition, the Parent Guarantor sought a direction to the SLDC and TRANSCO to provide parity to all wind power generators connected to the Uravakonda Grid Sub-station in the manner of evacuation. Subsequently, the Executive Engineer, Uravakonda issued directions dated August 4, 2018 revising the generation capacity to 72.93% of the installed capacity of the windfarms. The matter is currently pending.

(v) Southern Power Distribution Company of Andhra Pradesh Limited and the Eastern Power Distribution Company of Andhra Pradesh Limited ("Petitioners") filed a petition before the APERC against the Parent Guarantor and others ("Respondents") seeking amendment of the APERC Terms and Conditions for Tariff Determination for Wind Power Projects Regulations, 2015 ("APERC Regulations 2015") and reduction of tariffs payable to wind power generators under the APERC Regulations 2015 on account of favourable market conditions and technological developments leading to reduction in capital cost for wind power generators. The Petitioners also sought relief from the APERC in the form of orders amending tariff orders dated August 1, 2015 and March 26, 2015, as well as orders effecting the reduced/amended tariff in the power purchase agreements entered into between the Petitioners and wind power generators pursuant to issuance of APERC Regulations 2015. The matter is currently pending.

(vi) Please refer to paragraph (i) under *"ReNew Saur Urja – Actions initiated by regulatory and statutory authorities"*.

(vii) Please refer to paragraph (ii) under *"ReNew Saur Urja – Actions initiated by regulatory and statutory authorities"*.

Set forth below is a brief overview of the principal laws and regulations currently governing the businesses of the Group. The laws and regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Industry specific legislations

Electricity Act, 2003

The Electricity Act, 2003 ("Electricity Act") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity. It governs the establishment, operation and maintenance of any electricity generating company and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, sub-stations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and any other open access charges, as may be determined by the concerned electricity regulatory commission.

In accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a license under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act.

Under the Electricity Act, the State Electricity Regulatory Commissions ("SERCs") are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person from sources other than the incumbent distribution licensee under the provisions of open access. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which has been implemented in the form of renewable purchase obligations ("RPOs").

Additionally, the Electricity Rules, 2005 (the "Electricity Rules") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the electricity required to be consumed by captive users is to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole, and equity shares to be held by the captive users must not be less than 26% of the proportionate equity interest of the company related to the generating unit or units identified as the captive generating plant.

Tariff Determination

Under the Electricity Act, tariffs are broadly determined in the following manner:

(i) In terms of Section 62(1) of the Electricity Act, the appropriate commission is empowered to determine the tariff for the supply of electricity by a generating company to a distribution licensee. The appropriate electricity regulatory commission is guided by certain principles while determining the tariff applicable to power generating companies which include, among other things, principles and methodologies specified by the Central Electricity Regulatory Commission ("CERC") for tariff determination, safeguarding consumer interest and other multiyear tariff principles laid down by the implementation of the National Electricity Policy ("NEP"), the Tariff Policy and the National Tariff Policy, 2016 ("NTP 2016"); and

(ii) Alternatively, tariff may be determined through the transparent process of bidding in accordance with the guidelines issued by the Government of India and in terms of Section 63 of the Electricity Act, the appropriate regulatory commission shall adopt such tariff.

Tariff Policy, 2006

The Government of India ("GoI") notified the Tariff Policy on January 6, 2006 ("Tariff Policy"), under Section 3 of the Electricity Act, to ensure availability of electricity to consumers at reasonable and competitive rates, financial viability of the sector and to attract investment, promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimize perceptions of regulatory risks and promote competition, efficiency in operation and improvement in quality of power supply and to guide CERC and the SERCs in discharging their functions.

The Tariff Policy required CERC to determine the rate of return on equity keeping in view the overall risk and prevalent cost of capital, and to establish norms for capital and operating costs, operating standards and performance indicators for transmission lines at different voltage levels.

Further, the Tariff Policy requires all SERCs to specify minimum percentages of electricity that must be purchased from renewable energy sources by April 1, 2006. While deciding such percentage, SERCs must take into account the availability of such resources in the region and its impact on retail tariffs. The Tariff Policy further provides that procurement of electricity by distribution companies from renewable energy power producers ("REPPs") must be done at preferential tariffs determined by the SERCs. Such procurement of electricity by distribution companies for future requirements is to be done, as far as possible, through a competitive bidding process pursuant to Section 63 of the Electricity Act among suppliers offering energy from same type of non-conventional sources. The Tariff Policy has now been replaced with the National Tariff Policy, 2016 ("NTP 2016").

National Tariff Policy, 2016

In exercise of the powers conferred under Section 3 of the Electricity Act, 2003, Government of India has notified the revised tariff policy to be applicable from January 28, 2016. NTP 2016 specifies that any action taken under the provisions of the Tariff Policy, shall, in so far as it is not inconsistent with NTP 2016, be deemed to have been done or taken under the provisions of this NTP 2016. NTP 2016 has introduced several reforms and has an increased focus on renewable energy, sourcing power through competitive bidding and the need for 'reasonable rates'. The objectives of NTP 2016, *inter alia*, include:

(i) ensuring financial viability of the power sector and attract investments;

(ii) ensuring availability of electricity to consumers at reasonable and competitive rates;

(iii) promoting generation of electricity from renewable power sources; and

(iv) promoting hydroelectric power generation.

The NTP 2016 has removed the ambiguity on applicability of the RPOs on co-generation as it has been clarified that co-generation from sources other than renewable sources shall not be excluded from the applicability of the RPO NTP 2016 specifies that an existing coal or lignite based generating station may choose to add additional renewable energy capacity and generation from such renewable energy capacity may be bundled with its thermal generation for the purpose of sale. In case an obligated entity procures such bundled power, then the SERCs will consider the obligated entity to have met the RPO to the extent of power bought from such renewable energy generating stations.

Given the focus that NTP 2016 has on renewable power and competitive tariffs, the States have been mandated to make necessary endeavors to procure power from renewable energy through competitive bidding to keep the tariff low. Further, NTP 2016 states that 35% of the installed capacity can be procured by the state at SERC determined tariff.

Further, to give the much need impetus to the renewable power sector, in accordance with paragraph 6.4(6) of NTP 2016, the Ministry of Power ("MoP"), *vide* notification bearing no. 23/12/2016/R&R, dated February 13, 2018, exempts wind and solar projects from the applicability of charges and losses for use of inter-state transmission system for a period of 25 years from the date of commissioning of such wind and solar projects, subject to fulfilment of certain conditions.

Guidelines for Tariff Based Competitive Bidding Process for Procurement of Wind and Solar Power

The Ministry of Power has issued guidelines on August 3, 2017 and December 12, 2017 for procurement of solar and wind power, respectively, through tariff based competitive bidding process ("**Competitive Bidding Guidelines**"). The Competitive Bidding Guidelines aim to enable the distribution licensees to procure solar and wind power at competitive rates in a cost-effective manner.

Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017

CERC has announced the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2017 (the "Tariff Regulations") which supersede the regulations issued in 2012. The Tariff Regulations govern the determination of tariff, for a generating station or a unit commissioned during the 'Control Period' (being a period of three years specified in the Tariff Regulations starting from the Fiscal 2018). The tariff period under the Tariff Regulations is required to be considered from the date of commercial operations of the renewable energy stations. The Tariff Regulations further lay down the criteria which should be taken into consideration by CERC while determining the tariff for the sale of electricity generated from renewable sources. CERC will determine the generic tariff on the basis of a *suo motu* petition at least six months in advance at the beginning of each year of the Control Period. The Tariff Regulations also provide the mechanism for sharing of carbon credits from approved clean development mechanism projects between renewable energy power producers ("REPPs") and the concerned beneficiaries. Under the Tariff Regulations, the project developer is entitled to 100% of the gross proceeds on account of clean development mechanism project benefits in the first year after the date of commercial operation of the generating station. Subsequently, in the second year, the share of the beneficiaries will be then progressively increased by 10% every year until it reaches 50% after which the clean development mechanism project proceeds are to be shared equally between the generating company and the beneficiaries.

National Electricity Policy, 2005

The Indian Government notified the National Electricity Policy ("NEP") on February 12, 2005, under Section 3 of the Electricity Act. The key objectives of the NEP, amongst other things are, stipulating guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders, keeping in view availability of energy resources, technology available to exploit these resources, economics of generation using different resources and energy security issues. The NEP provides that the network expansion be planned and implemented keeping in view anticipated transmission needs that would be incident on the system in the open access regime.

Further, NEP emphasizes the need to promote generation of electricity based on non-conventional sources of energy. The NEP provides that SERCs should specify appropriate tariffs in order to promote renewable energy (until REPPs relying on non-conventional technologies can compete within the competitive bidding system). SERCs are required to specify percentages of the total consumption of electricity in the area of a distribution licensee that progressively increase the share of electricity generated from renewable sources. Furthermore, the NEP provides that such purchase of electricity by distribution companies should be through competitive bidding.

Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 ("Grid Code")

The CERC in these regulations has laid down the rules, guidelines and standards to be followed for planning, developing, maintaining and operating the power systems, in the most secure, reliable, economic and efficient manner. These regulations have been amended to require the wind and solar power generators to forecast and schedule their power generation on a day ahead basis. Further, the Grid Code provides a 'must-run' status to all solar and wind power plants and exempts such power plants from 'merit order dispatch' principles.

Guidelines for Development of Onshore Wind Power Projects, 2016 ("**MNRE Guidelines**")

The Ministry of New and Renewable Energy ("MNRE") initially issued guidelines for orderly growth of wind power sector, which were subsequently revised from time to time. These guidelines aim to facilitate the development of wind power projects in an efficient and cost-effective manner.

Revised Guidelines for Wind Power Projects ("**Wind Power Guidelines**")

In order to ensure quality of wind farm projects and equipment, MNRE introduced the Wind Power Guidelines which were revised and addressed to the erstwhile State Electricity Boards, state nodal agencies and financial institutions such as IREDA. The Wind Power Guidelines provide for, *inter alia*, proper planning, selection of quality equipment and implementation, performance and monitoring of wind power projects.

Renewable Purchase Obligations

The Electricity Act and the Tariff Policy require the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which are known as RPOs. RPOs are required to be met by obligated entities (distribution licensees, captive power plants and open access consumers) by purchasing renewable energy, either by renewable energy power producers such as the Group, or by purchasing renewable energy certificates ("RECs"). In the event of default by an obligated entity in any financial year, the SERCs may direct the obligated entity to pay a penalty or to deposit an amount determined by the relevant SERC, into a fund to be utilized for, among others, the purchase of RECs.

Generation Based Incentive Scheme ("GBI Scheme")

To encourage generation from wind energy projects, MNRE notified the GBI Scheme for grid connected wind power projects on December 17, 2009 which is currently applicable to the wind power projects which were commissioned and registered under the GBI Scheme during period commencing from the date of the aforementioned notification and up to March 2017. GBIs under the GBI Scheme are available for the wind power projects selling electricity to the grid and captive wind power projects but exclude wind power projects that undertake third party sales. Only those wind power projects which sell electricity at the tariff announced by SERCs and/or state governments are eligible for availing benefits under the GBI Scheme. The objective of the GBI Scheme is to (i) broaden the investor base; (ii) incentivize actual generation with the help of generation/outcome based incentives; and (iii) facilitating entry of large independent power producers and foreign direct investment in the Indian wind power sector. Under the GBI Scheme, generation based incentives are available for a minimum period of four years and maximum period of 10 years.

Ujwal Discom Assurance Yojana ("UDAY")

UDAY is a scheme formulated by the Ministry of Power, Government of India, *vide* Office Memorandum dated November 20, 2015. It provides for the financial turnaround and revival of Power Distribution companies (DISCOMs). The scheme is applicable only to State-owned DISCOMs including combined generation, transmission and distribution undertakings.

The various State Governments, their respective DISCOMs and the Government of India have entered into agreements which stipulate responsibilities of the entities towards achieving the operational and financial milestones under the scheme. One of the features of this scheme is that the States have agreed to take over 75% of the debt of the DISCOMs as on September 30, 2015 over a period of 2 years – 50% of the DISCOM debt in 2015-16 and 25% in 2016-17 as per the mechanism provide for in the scheme.

National Solar Mission

The National Solar Mission ("NSM") was approved by the GoI on November 19, 2009 and launched on January 11, 2010. The target for solar deployment was enhanced to 100 GW of solar power in India by 2022. The target principally comprises 40 GW rooftop solar power projects and 60 GW large and medium scale grid connected solar power projects. In addition, the GoI on March 22, 2017 sanctioned the implementation of a scheme to enhance the capacity of solar parks from 20,000 MW to 40,000 MW for setting up at least 50 solar parks each with a capacity of 500 MW and above by 2019 or 2020.

Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) Regulations, 2008 (the "CERC Open Access Regulations")

The CERC Open Access Regulations for inter-state transmission provide for a framework which not only facilitates traditional bilateral transaction (negotiated directly or through electricity traders), but also cater to collective transactions discovered in a power exchange through anonymous, simultaneous competitive bidding by sellers and buyers. Applicable to short term open access transactions up to one month at a time, the emphasis of the CERC Open Access Regulations is on scheduling rather than reservation to ensure that the request of an open access customer is included in the dispatch schedules released by RLDCs. Further, certain types of transmission services by payment of transmission charges (to be levied in Rupees per MWh) shall be available to open access customers based on the type of transactions, i.e. bilateral or collective. In addition to transmission charges, certain operating charges shall also be levied. The CERC Open Access Regulations enable entities connected to inter-state transmission as well as intra-state transmission and distribution system to purchase power from a source other than the incumbent distribution licensee situated outside the relevant State.

Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 ("CERC Connectivity & Access Regulations")

The CERC Connectivity & Access Regulations provide a framework for granting connectivity, medium and long-term access to the inter-state transmission system ("ISTS"). Any power generating station, including captive generating plant or a bulk consumer, is authorized to seek connectivity, medium and long-term access to the ISTS in accordance with the provisions made under these Regulations. CERC Connectivity & Access Regulations identifies Central Transmission Utility ("CTU") as the nodal agency for grant of connectivity. With respect to medium and long-term access to ISTS, CTU is mandated to frame procedure concurrent to the CERC Connectivity & Access Regulations covering all the aspects as envisaged in the CERC Connectivity & Access Regulations in detail. For grant of connectivity, wind and solar based projects are treated differently by CERC Connectivity & Access Regulations, as a separate set of procedure is framed for wind and solar projects safeguarding the interest of renewable energy projects and the transmission system owner.

Central Electricity Regulatory Commission (Sharing of Inter-State transmission Charges and losses) Regulations, 2010 ("CERC Transmission Charges Regulations")

The CERC Transmission Charges Regulations provide for a framework as per which the yearly transmission charges, revenue requirements on account of foreign exchange rate variation, changes in interest rate, etc. as approved by the appropriate commission will be shared among the users of the ISTS system. CERC Transmission Charges Regulations laid down principle and mechanism for sharing of ISTS transmission and charges among the gird users. Based upon the date of commissioning, CERC

Transmission Charges Regulations exempt wind and solar based generating stations, which are selling power to Distribution Companies for fulfilment of their RPO as per Competitive bidding guidelines notified by the Central Government, from the applicability of ISTS transmission charges and losses.

Central Electricity Regulatory Commission (Deviation settlement Mechanism and related matters) (Second amendment) Regulations, 2015 ("F&S Regulations")

The CERC in these regulations has laid down rules guidelines and standards for maintain grid discipline and grid security as envisaged under the Grid Code through the commercial mechanism for Deviation Settlement through withdrawal and injection of electricity by wind and solar based plants connected to interstate transmission network. The wind and solar generators connected to interstate transmission network are required to provide daily 15 minutes time block wise generation schedule. The schedule may be revised by giving advance notice to the relevant Regional Load Despatch Centre. Any deviations between actual generation with respect to the schedule generation in the 15 minute time block is liable to attract commercial charges as per the formula prescribed in the F&S Regulations.

Renewable Energy Certificates

The CERC notified the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 (the "REC Regulations") on January 14, 2010 and the same was most recently amended on March 28, 2016. The REC Regulations aim at the development of market for power from non-conventional energy sources by issuance of transferable and saleable credit certificates. The REC Regulations facilitate fungibility and inter-state transaction of renewable energy with least cost and technicality involved. The CERC has nominated the National Load Despatch Centre as the central agency to perform the functions, including, *inter alia* registration of eligible entities, issuance of certificates, maintaining and settling accounts in respect of certificates, acting as repository of transactions in certificates and such other functions incidental to the implementation of REC mechanism as may be assigned by the CERC. The REC mechanism provides a market based instrument which can be traded freely and provides means for fulfilment of renewable purchase obligations by the distribution utilities/consumers.

The Ministry of New and Renewable Energy

The MNRE is the nodal ministry of the Government of India at the national level for all matters relating to non-conventional sources of energy and renewable energy. The mandate of MNRE includes research, development, commercialization and deployment of renewable energy systems/devices for various applications in rural, urban, industrial and commercial sector.

National Institute of Wind Energy ("NIWE")

NIWE is an autonomous research and development institution under the MNRE, Government of India, established to serve as a technical focal point for orderly development of Wind Power deployment in India. Use of any wind turbine in India is subject to certification from NIWE.

Solar Energy Corporation of India Limited ("SECI")

SECI is a central public sector undertaking under the administrative control of the MNRE, established to facilitate the implementation of the Jawaharlal Nehru National Solar Mission ("**JNNSM**") as well as a number of other schemes of MNRE. SECI is also involved in trading of solar power from projects set up under the schemes being implemented by it.

National Institute of Solar Energy ("NISE")

NISE is an autonomous research and development institution under the MNRE, Government of India, established to facilitate the research and development, testing, certification and skill development activities in the field of solar energy. NISE also supports the MNRE in the implementation of NSM.

National Wind-Solar Hybrid Policy ("Hybrid Policy")

MNRE announced the Hybrid Policy on May 14, 2018, with an aim to encourage renewable power generation and promote new projects as well as hybridization of the existing wind and solar projects. The main objective of the Hybrid Policy is to provide a framework for promotion of large grid connected wind-solar photovoltaic hybrid system for optimal and efficient utilization of transmission infrastructure and land, reducing the variability in renewable power generation and achieving better grid stability. The Hybrid Policy aims to encourage new technologies, methods and way-outs involving operation of wind and solar photovoltaic plants.

The implementation of wind solar hybrid systems will depend on different configurations and use of technology. The Hybrid Policy mandates the Central Electricity Authority and the CERC to formulate necessary standards and regulations for wind-solar hybrid systems.

State Level Policies, Guidelines for Promotion and Establishment of Renewable Energy Projects

Various states, from time to time, have announced administrative policies relating to wind and solar power projects and the matters relating thereto. Typically, these state policies are framed by nodal agencies responsible for development of renewable energy and energy conservation in the respective states. These policies provide for, among others, the incentives of setting up of wind and/or solar power projects in the relevant states, procedure and approvals required for setting up of wind and solar power projects within the state, regulation of grid integration, connectivity and security, and tariff determination.

Set out below is an overview of the laws and regulations governing the implementation of wind and solar projects in each State in which the Restricted Group operates –

Rajasthan

The Rajasthan Renewable Energy Corporation Limited is the nodal agency responsible for promoting and developing renewable energy in the State of Rajasthan.

The Government of Rajasthan notified the Policy for Promoting Generation of Electricity from Wind, 2012 on July 18, 2012 (the "Rajasthan Wind Policy"). Under the Rajasthan Wind Policy, captive use or sale to third parties of the power generated is permitted at mutually agreed rates. The Rajasthan Wind Policy further provides that permission in relation to setting up of wind power projects for direct sale to distribution licensees shall be on the basis of preferential tariff determined by Rajasthan Electricity Regulatory Commission ("RERC"), for the years 2013-14 to 2015-16. The tariff rates applicable to the sale of electricity from wind power plants and transmission and wheeling charges to be paid by a licensee for transmission or wheeling of power purchased by it are determined in accordance with the tariff orders issued by RERC from time to time. The Rajasthan Policy also specifies that DISCOMs in Rajasthan will purchase wind power up to the extent of the RPO specified by the RERC, and in case of any shortfall in meeting the RPO, the DISCOMs will fulfil the shortfall by acquiring RECs. Under the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Renewable Energy Sources – Wind and Solar Energy) Regulations, 2014, banking of energy is permitted at consumption end within the State only.

The Rajasthan Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters of Solar and Wind Generation Sources) 2017 ("RERC DSM Regulations") were notified with an aim to facilitate large scale grid integration of wind and solar project maintaining the grid security, reliability and security as envisaged under the grid code through forecasting, scheduling and commercial mechanism for settlement of deviations for wind and solar project. All wind and solar generating stations with installed capacity of 5 MW and above fall under the purview of RERC DSM Regulations. Wind and solar power generators connected to the state grid forecast and schedule their power generation on a day ahead basis. The schedule by wind and solar generators may be revised by giving advance notice to the relevant State Load Despatch Centre. Depending upon the degree variation of schedule provided and actual generation in 15 minutes time block basis wind and solar generators are liable to pay/receive the charges for deviations as per the formula prescribed under the RERC DSM Regulations.

The Rajasthan Electricity Regulatory Commission (Renewable Energy Certificate and Renewable Purchase Obligation Compliance Framework, 2016 ("RERC RPO Regulations") specify that every distribution licensee is required to purchase a minimum quantity of electricity from renewable sources of energy expressed as a percentage of its total purchase of electricity during a year.

Maharashtra

The Government of Maharashtra, issued the New Policy for Power Generation from Non-Conventional Sources of Energy, 2008 ("2008 Policy") with a view to achieving target commissioning of wind power projects of up to 2000 MW. Under the 2008 Policy, it was binding on promoters/developers/investors to sell 100% of electricity generated through non-conventional energy sources to licensees or clients in the state of Maharashtra. In respect of developers using electricity generated from the project for their own captive use, an electricity duty was not to be levied for the first ten years from the COD, benefit of which was also applicable to third party sales. Under the 2008 Policy, barren land was planned to be leased for the wind power projects for 30 years with regular terms and conditions.

Under the Comprehensive Policy for Grid-connected Power Projects based on New and Renewable (Non-conventional) Energy Sources – 2015 ("Maharashtra 2015 Policy"), a target has been fixed to commission 5,000 MW of wind power projects, 1,000 MW of bagasse based cogeneration projects, 400 MW of small hydro power projects, 300 MW of biomass based power projects, 200 MW of industrial waste power projects and 7,500 MW of solar power projects. Thus, a total of 14,400 MW capacity power projects based on new and renewable energy sources are targeted to be installed in the next 5 years. Maharashtra Energy Development Agency is the agency for implementing the policies in the state.

Pursuant to the Maharashtra 2015 Policy, the Government of Maharashtra proposes to incentivize the development of wind power projects by, *inter alia*, allowing the repowering of existing wind power projects subject to compliance with guidelines framed by MNRE, providing deemed non-agricultural land status to land allocated for the development of wind power projects and exempting wind power projects from obtaining any no-objection certificate or consent from the Maharashtra Pollution Control Board. Similarly, incentives to solar power projects include exemption from obtaining any no-objection certificate or consent from the Maharashtra Pollution Control Board, grant of open access by the distribution licensee to project developers opting for captive use of electricity or sale to third parties and waiver of electricity duty for a period of 10 years for solar power projects developed under the Maharashtra 2015 Policy for captive use.

Maharashtra Electricity Regulatory Commission (Terms and Conditions for determination of Renewable Energy Tariff) Regulations, 2015 ("MERC Regulations") provide for the terms and conditions and the procedure for the determination of generic tariff in respect of the renewable energy generating stations including wind and solar energy generating stations. The MERC Regulations shall apply to those new renewable energy projects which are commissioned in Maharashtra for the generation and sale of electricity to distribution licensees within the state, and whose tariff is to be determined by the MERC under the provisions of Section 62 read with Section 86 of the Electricity Act. The review period under the MERC Regulations is five financial years i.e. up to the end of Financial Year 2020. The MERC is required to include components such as return on equity, interest on loan capital, depreciation, interest on working capital and O&M expenses while determining the tariff for such wind power projects.

The Maharashtra Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters of Solar and Wind Generation) 2018 ("MERC DSM Regulations") were notified with an aim to facilitate grid integration of wind and solar energy generated in Maharashtra while maintaining grid stability and security as envisaged under the State Grid Code and the Electricity Act, through forecasting, scheduling and a mechanism for the settlement of deviations by wind and solar based generators. All wind and solar generating stations with installed capacity of 5 MW and above fall under the purview of MERC DSM Regulations. Wind and solar power generators connected to the state grid forecast and schedule their power generation on a day ahead basis. The schedule by wind and solar generators may be revised by giving advance notice to the state Load Despatch Centre. Depending upon the degree variation of schedule provided and actual generation in a 15 minutes time block basis, wind and solar generators are liable to pay/receive the charges for deviations as per the formula prescribed under the MERC DSM Regulations.

Karnataka

The Karnataka Renewable Energy Development Limited ("KREDL") is the agency responsible for promoting and developing renewable energy in the state of Karnataka. The Karnataka Renewable Energy Policy 2009-2014 was formulated under the supervision of KREDL to achieve a capacity addition of 6,600 MW from renewable sources in Karnataka by 2014. The policy aims at systematic and faster development of renewable energy sources as it attempts to stimulate a minimum capacity addition of approximately 1,000 MW each year. The state government has formulated a draft policy for the years 2014-20 to further boost the generation of electricity through renewable energy sources.

The state government of Karnataka has formulated the Karnataka Solar Policy 2014-2021 ("Karnataka Solar Policy"), which will remain in effect until 2021 or until modified. The Karnataka Solar Policy aims to harness a minimum of 6,000 MW by 2021 in multiple phases. The Karnataka Solar Policy provides incentives such as tax concessions under the Karnataka Industrial Policy 2014-2019 and central excise duty and customs duty exemptions. Solar projects are further exempt from obtaining consent from the Karnataka Pollution Control Board, which is otherwise required under the pollution control laws of the state of Karnataka.

The Karnataka Electricity Regulatory Commission (Power Procurement of Energy from Renewable Sources Regulations, 2011 ("KERC Regulations") specify that every distribution licensee is required to purchase a minimum quantity of electricity from renewable sources of energy expressed as a percentage of its total purchase of electricity during a year. The KERC Regulations grant power to the Karnataka Electricity Regulatory Commission to determine tariff for renewable sources of energy.

The Karnataka Electricity Regulatory Commission (Forecasting, Scheduling, Deviations Settlement and Related Matters for Wind and Solar Generation Sources) 2015 ("KERC DSM Regulations") were notified with an aim to facilitate large scale grid integration of wind and solar project maintaining the grid security, reliability and security as envisaged under the grid code through forecasting, scheduling and commercial mechanism for settlement of deviations for wind and solar project. All wind and solar generating station with installed capacity 10 MW and 5 MW respectively falls under the purview of KERC DSM Regulations. Wind and solar power generators connected to the state grid forecast and schedule their power generation on a week ahead, day ahead basis. The schedule by wind and solar generators may be revised by giving advance notice to the relevant State Load Despatch Centre. Depending upon the degree variation of schedule provided and actual generation in 15 minutes time block basis wind and solar generators are liable to pay/receive the charges for deviations as per the formula prescribed under the KERC DSM Regulations.

Telangana

Telangana Solar Power Policy 2015 applies to solar power projects, pumpsets, rooftop projects, off-grid applications and solar parks. Single window clearance mechanism, deemed conversion to non-agricultural land, exemption from the land ceiling Act, VAT and stamp duty refund, pollution clearance are among the benefits envisioned under this policy. The Telangana Wind Power Policy 2016 applies to wind-based generation projects and promotes wind-solar hybrids. All benefits offered under the Telangana Solar Power Policy 2015 are available under the Telangana Wind Power Policy 2016 as well. The Telangana State Electricity Regulatory Commission ("TSERC") has also passed a generic tariff order for wind power projects on October 6, 2018 valid from the date of the order till March 31, 2020.

TSERC issued the TSERC Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2018 on May 2, 2018 ("**Telangana RPO Regulations**"). The Telangana RPO Regulations specify that every distribution licensee is required to purchase a minimum quantity of electricity from renewable sources of energy expressed as a percentage of its total purchase of electricity during a year. Further, the distribution licensees are required to compulsorily procure 100% power produced from waste-to-energy plants in the State of Telangana. The purchase of electricity by the distribution licensees can be done at the tariffs determined by TSERC under Section 62 of the Electricity Act or through the transparent process of bidding adopted by the TSERC.

The Telangana State Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters of Solar and Wind Generation sources) 2018 ("**TSERC DSM Regulations**") were notified with an aim to facilitate large scale grid integration of wind and solar based generating station located in the state while maintaining grid stability and security as envisaged under the State Grid Code and the Electricity Act, through forecasting, scheduling and a mechanism for the settlement of deviations by these generators. All wind and solar generating stations with installed capacity of 5 MW and above fall under the purview of TSERC DSM Regulations. Wind and solar power generators connected to the state grid forecast and schedule their power generation on a day ahead basis. The schedule by wind and solar generators may be revised by giving advance notice to the State Load Despatch Centre. Depending upon the degree variation of schedule provided and actual generation in 15 minutes time block basis, wind and solar generators are liable to pay/receive the charges for deviations as per the formula prescribed under the TSERC DSM Regulations.

Madhya Pradesh

The New and Renewable Energy Department of the Government of Madhya Pradesh is the nodal agency responsible for implementing various programs and policies of the GoI and the Government of Madhya Pradesh for the renewable energy sector.

The Government of Madhya Pradesh has implemented the Policy for Implementation of Solar Power Based Projects in Madhya Pradesh, 2012 ("MP Solar Policy"), which aims to encourage participation of private sector to set up solar power based projects in Madhya Pradesh and to build a favorable atmosphere for setting up solar power projects. All solar energy based power project developers and manufacturing units of equipment or ancillaries related to solar power projects shall be eligible for benefits under the MP Solar Policy, provided that only new plant and machinery shall be eligible for installation under the MP Solar Policy.

Under the MP Solar Policy, the Government of Madhya Pradesh proposes to incentivize development of solar power projects by providing subsidies to distribution companies towards concessional wheeling charges of 4% of the energy injected as against the normal rate of prevailing energy wheeling charges, providing an exemption for 10 years from payment of electricity duty, and by providing an exemption from the payment of VAT and entry tax. Industrial consumers opting to buy power from certain categories of solar power projects are allowed corresponding pro rata reduction in contract demand on a permanent basis. The solar projects implemented under the MP Solar Policy will be accorded the status of "industry" and will be eligible for all benefits that accrue to industries under the Industrial Promotion Policy of the State of Madhya Pradesh.

The Madhya Pradesh Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters of Solar and Wind Generating stations) 2018 ("MPERC DSM Regulations") were notified with an aim to facilitate grid integration of wind and solar energy generated in Madhya Pradesh while maintaining grid stability and security as envisaged under the State Grid Code and the Electricity Act, through forecasting, scheduling and a mechanism for the settlement of deviations by wind and solar based generators. All wind generating stations having installed capacity of 10 MW and above and solar generating stations with installed capacity of 5 MW and above fall under the purview of MPERC DSM Regulations. Wind and solar power generators connected to the state grid forecast and schedule their power generation on a day ahead basis. The schedule by wind and solar generators may be revised in accordance with the Grid Code. Depending upon the degree variation of schedule provided and actual generation in 15 minutes time block basis, wind and solar generators are liable to pay/receive the charges for deviations as per the formula prescribed under the MPERC DSM Regulations.

Environmental Laws

The Central Pollution Control Board of India ("CPCB"), a statutory organization established in 1974 under the Ministry of Environment, Forest and Climate Change ("MoEF&CC"), is responsible for setting the standards for maintenance of clean air and water and providing technical services to the MoEF&CC.

CPCB has classified industrial sectors under the red, orange, green or white categories. The newly introduced white category pertains to those industrial sectors which are practically non-polluting, including solar power generation through photovoltaic cells, wind power projects of all capacities and mini hydroelectric power. In relation to the white category of industries, only intimation to the relevant State Pollution Control Board ("SPCB") is required, and there is no requirement to obtain a consent to operate for this category.

National Action Plan on Climate Change

The National Action Plan on Climate Change (the "NAPCC") issued by the GoI in 2008 has recommended that the national renewable energy generation standard be set at 5% of total grid purchase and that it be increased by 1% each year for 10 years, with the option for the SERCs to set higher minimum percentages than 5%, to ensure that by 2020, 15% of the total power capacity is generated from renewable energy sources. NAPCC also recommends imposition of penalty under the Electricity Act in case of utilities falling short to meet their RPOs.

National Wind Mission

In order to boost electricity generation from on-shore and off-shore wind sources, ensure certainty for stakeholders and capacity building, the MNRE has formulated the National Wind Mission, which provides for, *inter alia*¸ single window clearance for wind energy projects, land allocation mechanisms, tariff and financing mechanisms.

Other Regulations

Foreign Exchange Management Act, 1999

The objective of the Foreign Exchange Management Act, 1999 (the "FEMA") is to facilitate external trade, payments and promotion of orderly development and maintenance of foreign exchange market in India. RBI is responsible for administration of the FEMA.

Indian companies are allowed to take on external commercial borrowings ("ECB"), including loans, floating, fixed rate notes, bonds, debentures (other than fully and compulsorily convertible instruments), trade credits beyond 3 years under the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, read with the ECB Guidelines. ECBs under the ECB Guidelines can be accessed under two routes: (i) the automatic route; and (ii) the approval route. The automatic route does not require a borrower to obtain any RBI approvals, whereas the approval route requires a prior RBI approval. The ECB Guidelines classify ECBs under the following categories:

(i) Foreign currency denominated ECBs ("FCY ECBs"); and

(ii) Rupee denominated ECBs including rupee denominated bonds issued overseas ("INR ECBs").

This offering of the Notes is authorized under the automatic route of the RBI in accordance with and pursuant to the provisions of the ECB Guidelines.

Automatic route

The following entities have been classified as recognized borrowers for raising FCY ECBs: (i) all entities eligible to receive foreign direct investment; (ii) port trusts; (iii) units in special economic zones; (iv) Small Industries Development Bank of India; and (v) Export-Import Bank of India.

The following lenders/investors are eligible to provide FCY ECBs: (i) a person resident in an FATF compliant country[3] or an IOSCO compliant country[4]; and (ii) a multilateral or regional financial institution where India is a member country. However, (a) individuals qualify as recognized lenders only if they are foreign equity holders of the borrower or are subscribing to bonds or debentures listed abroad; and (b) foreign branches or subsidiaries of Indian banks will qualify as recognized lenders/investors.

The minimum average maturity period for FCY ECBs (other than those extended by foreign equity holders) must be 3 years.

Proceeds under FCY ECBs can be utilized for any purpose other than: (i) real estate activities; (ii) investment in capital market; (iii) equity investment; (iv) except where the lenders/investors is a foreign equity holder, working capital purposes, general corporate purpose and repayment of Rupee loans; and (v) payment of interest/charges on such FCY ECBs.

Further, the maximum amount that can be raised every fiscal year under the automatic route is US$750 million or its equivalent.

The all-in-cost (which includes interest, other fees, expenses, charges, guarantee fees, whether paid in foreign currency or INR but will not include commitment fees and withholding tax payable in INR) ceilings for all ECBs is 450 basis points over the benchmark rate which is six month LIBOR rate of different currencies or any other six month interbank interest rate applicable to the currency of borrowing. In the case of fixed rate loans, the swap cost plus spread should not be more than the floating rate plus the applicable spread. The various components of all-in-cost have to be paid by the borrower and not from the proceeds of the ECBs.

Approval route

All FCY ECBs falling outside the automatic route limits are considered by the RBI under the approval route.

Procedure in relation to any change to the Terms and Conditions of the Notes

Any change in the terms and conditions of the Notes after obtaining the loan registration number ("LRN") requires the prior approval of the RBI or the authorized dealer bank (the "AD Bank"), as the case may be. Certain changes (such as amendments to the name of the borrower, recognized lender, transfer of ECBs, cancellation of LRN, or any change to the AD Bank) may be approved by the AD Bank under a delegated authority from the RBI subject to certain conditions being complied with. Any redemption of the Notes prior to their stated maturity, including on occurrence of an early redemption event or event of default will require the prior approval of the RBI or the AD Bank, as the case may be.

3 A country that is a member of Financial Action Task Force (FATF) or a member of a FATF-Style Regional Body; which should not be a country identified in the public statement of the FATF as (i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or (ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies.

4 A country whose securities market regulator is a signatory to the International Organization of Securities Commission's (IOSCO's) Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding with the Securities and Exchange Board of India for information sharing arrangements.

DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The Board of Directors of the Company is responsible for the management and administration of the Company's affairs, and the Board of Directors (and any committee which it appoints) is vested with all of the powers of the Company. The Company has six directors.

The following table sets forth certain details of the directors of the Company:

Name	Age	Position	Date Appointed
Sumant Sinha	54	Chairman and Managing Director	January 19, 2011
Michael Specht Bruun	38	Non-Executive Director	December 25, 2018
Wendy Alexandra Franks	44	Non-Executive Director	January 31, 2018
Ram Charan	79	Independent Director	March 20, 2018
Arun Nath Maira	75	Independent Director	April 05, 2018
Arun Duggal	72	Independent Director	April 05, 2018

All the directors, except Wendy Alexandra Franks, Michael Specht Bruun, Ram Charan, and Arun Duggal, are Indian nationals.

Brief Profile of the Directors

Sumant Sinha, aged 54 years, is the Chairman and Managing Director of the Company. He holds a bachelor's degree in civil engineering from the Indian Institute of Technology, Delhi, a post-graduate diploma in management from the Indian Institute of Management, Calcutta and a master's degree in International Affairs from the Columbia University. He is also a CFA charter holder and a member of the Institute. He worked as an investment banker in the United States and the United Kingdom at Citicorp Securities and ING Barings Services Limited, respectively, before returning to India as Senior President, Finance, of the Aditya Birla Group and subsequently as the Chief Executive Officer of Aditya Birla Retail. Subsequent to this, he joined Suzlon in 2008 and served as the Chief Operating Officer until 2010. In 2017, he held the office of Chairman of the Confederation of Indian Industry ("CII") – Northern Region and has previously been the Chairman of CII's Renewable Energy Committee as well as CII's Solar Task Force. He is also on the advisory board of Columbia University's School of International and Public Affairs. He has recently been appointed to the Board of Governors of the Indian Institute of Management, Calcutta and the Indian Institute of Management, Sirmaur. He has won many awards including the "EY Entrepreneur of the Year, 2017" in the Energy, Real Estate and Infrastructure category. He was recognized as the "Industry Crusader" at Renewable Energy India Awards 2017 as well as the "Torch Bearer of the Year" at the India Solar Week Leadership Awards 2017. He was also the recipient of the prestigious "Renewable Energy Leader of the Year" award at the National Awards for Excellence in Renewable Energy in July 2015 and the "Global Excellence Award – 2015 in Renewable Energy" by the Energy and Environment Foundation in August 2015.

Michael Specht Bruun, aged 38 years, is a Non-Executive Director of the Company, nominated by GSW. He holds a bachelor's degree in economics from the University of Copenhagen and master's degree in economics from University of Copenhagen and Cornell University. He joined Goldman Sachs in 2004 and is currently working as a partner in the investment banking division of Goldman Sachs in London.

Wendy Alexandra Franks, aged 44 years, is a Non-Executive Director of the Company, nominated by CPPIB, with effect from January 31, 2018. She holds a bachelor's degree in chemical engineering and a master's degree in applied science in electrical and computer engineering, both from the University of Waterloo. She also holds a PhD in Natural Sciences from the Swiss Federal Institute of Technology, Zurich. She is currently a senior principal, relationship investments in the Public Market Investments department of CPPIB where she is responsible for evaluating potential relationship investment opportunities, monitoring portfolio companies, assisting with the development and implementation of investment strategies and in the sourcing of opportunities and development of business networks. Prior to joining CPPIB in 2012, she was an associate principal at McKinsey & Co., where she also served as a senior member of the risk practice and the corporate and investment banking practice.

Ram Charan, aged 79 years, is an Independent Director of the Company, appointed with effect from March 20, 2018. He holds a master's degree in business administration from Harvard Business School. He is a renowned author and adviser to various global companies. He has authored and co-authored many books on corporate governance, leadership and strategy.

Arun Nath Maira, aged 75 years, was appointed as an Independent Director of the Company on April 5, 2018. He holds a master's degree in Science (Physics) from the University of Delhi. He was a member of the Planning Commission of India from 2009 to 2014. He has also previously held several management positions in the TATA group in India and abroad for 25 years until 1989 and was on the board of TATA Motors from 1981 to 1989. He also served as the chairman of the Boston Consulting Group in India.

Arun Duggal, aged 72 years, was appointed as an Independent Director of the Company on April 5, 2018. He holds a bachelor's degree in technology (mechanical engineering) from the Indian Institute of Technology, Delhi and a postgraduate diploma in business administration from the Indian Institute of Management, Ahmedabad. He has, in the past, been associated with the Bank of America as their country chief executive (India).

The role of the Board of Directors of the Company and its functions, responsibility and accountability are defined in the Company's constitution and any directions given by special resolutions (as defined in the Company's Constitution) passed in shareholders' meetings from time to time. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- reviewing and approving potential acquisitions;
- reviewing and approving major capital expenditure items;
- reviewing and approving financing matters;
- monitoring the Company's exposure to key business risks;
- reviewing the strategic direction of the Company;
- reviewing and approving the annual budgets of the Company as well as the progress against those budgets; and
- generally managing the business of the Company.

Shareholding of Directors

The shareholding of the directors in the Company is set forth below:

Director	Number of Equity Shares	Percentage Shareholding on a Fully Diluted Basis
Sumant Sinha......................................	100	Negligible

Committees

The Company has constituted the following committees:

Audit Committee

The members of the Audit Committee are:

Name and Designation of Director	Committee Designation
Arun Duggal (Independent Director)	Chairman
Arun Nath Maira (Independent Director)	Member
Wendy Alexandra Franks (Non-executive Director)	Member

The Audit Committee was constituted pursuant to a resolution passed by the Board of the Company at its meeting held on January 23, 2015. Thereafter, pursuant to resignation of Tantra Narayan Thakur (Independent Director) and Siddhartha Shah (Non-Executive Director) on January 20, 2018 and January 31, 2018, respectively, the Audit Committee was dissolved with effect from January 31, 2018. The Audit Committee was re-constituted pursuant to a resolution passed by the Board at its meeting held on April 5, 2018 and is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee were amended to align them with the provisions of the SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Recommending to the Board, the appointment, re-appointment, remuneration, and terms of appointment of auditors;

- Reviewing and monitoring the auditor's independence and performance and the effectiveness of the audit process;

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Reviewing with management, the annual financial statements and auditor's report before submission to the Board for approval;

- Reviewing with management, the quarterly financial statements before submission to the Board for approval;

- Laying down the criteria for granting omnibus approval in accordance with the Company's policy on related party transactions;

- Scrutiny of inter-corporate loans and investments;

- Valuation of undertakings or assets of the Company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;

- Approval or any subsequent modification of transactions of the Company with related parties;

- Monitoring the end use of funds raised through public offers and related matters;

- Reviewing with the management, the statement of use or application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documentation and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board;

- Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- Discussion with the internal auditors on any significant findings;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;

- Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- Reviewing the functioning of the whistle blower mechanism;

- Monitoring of a vigil mechanism; and

- Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws.

The Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and result of operations;

- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

- Management letters/letters of internal control weaknesses issued by the statutory auditors;

- Internal audit reports relating to internal control weaknesses;

- The appointment, removal and terms of remuneration of the chief internal auditor; and

- Statement of deviations:

  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchanges in terms of Regulation 32(1) of the SEBI Listing Regulations; and

  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The Company Secretary acts as the secretary to the Audit Committee.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Name and Designation of Director	Committee Designation
Arun Nath Maira (Independent Director)	Chairman
Ram Charan (Independent Director).................................	Member
Wendy Alexandra Franks (Non-executive Director)..........	Member
Michael Specht Bruun (Non-executive Director).............	Member

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution passed at its meeting held on February 10, 2016 as the Compensation Committee and was re-constituted as the Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations pursuant to a resolution passed by our Board at its meeting held on April 5, 2018. The terms of reference of the Nomination and Remuneration Committee were amended to align them with the provisions the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

- Formulation of the criteria for the evaluation of Independent Directors and the Board;

- Devising a policy on Board diversity;

- Identifying persons who are qualified to become directors or who may be appointed as senior management or key managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal;

- Evaluation of every Director's performance and determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

- Developing a succession plan for the Board and senior management and regularly reviewing the plan;

- Finalizing and recommending various familiarization programs for the Independent Directors;

- Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;

- Management, superintendence and administration of the Erstwhile ESOP Plans, 2018 ESOP and any new stock option plan as may be approved by the Board and Shareholders (collectively, the "ESOP Plans"), which will inter alia include the following matters:

    - Criteria for determining the eligible employees and number of options to be granted to eligible employees out of pool of options available under the ESOP Plans;

    - Grant of options, determination of exercise price, allotment of equity shares against exercise of options;

    - Any other matters relating to management, superintendence and administration of ESOP Plans;

    - Perform such functions and duties as are required to be performed under the SEBI ESOP Regulations; and

- Recommend to the Board any new employee stock option plan for its approval.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises:

Name and Designation of Director	Committee Designation
Sumant Sinha (Chairman and Managing Director)	Chairman
Arun Nath Maira (Independent Director)	Member
Arun Duggal (Independent Director)	Member

The Corporate Social Responsibility Committee was constituted by the Board at its meeting held on July 18, 2014 and was last reconstituted by the Board on May 5, 2018. The constitution and terms of reference of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act, 2013.

Pursuant to the resolution passed by the Board at its meeting held on April 5, 2018, the terms of reference of the Corporate Social Responsibility Committee were amended to align them with the provisions the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

Scope and terms of reference:

- Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

- Recommending the amount of corporate social responsibility expenditure and programs for the corporate social responsibility activities;

- Reviewing and monitoring the implementation of corporate social responsibility policy, programs and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs; and

- Performing such other duties and functions as the Board may require the Corporate Social Responsibility Committee to undertake to promote the corporate social responsibility activities of the Company.

Key Management

The following table sets forth certain details of the Company's key management:

Name	Age	Position	Date Appointed
Sumant Sinha	54	Chairman and Managing Director	January 19, 2011
Ravi Seth	57	Chief Financial Officer	February 17, 2014
Parag Sharma	45	Chief Operating Officer, Head of Solar & New Business	January 9, 2012
Balram Mehta	49	President, Wind & Asset Management	December 5, 2011
Ravi Parmeshwar	53	Chief Human Resources Officer	July 1, 2016
Vaishali Nigam Sinha	49	Chief – CSR, Communications and Sustainability Officer	April 25, 2018
Kailash Vaswani	39	Deputy CFO	October 1, 2011
Ajay Bhardwaj	58	President-New Business	August 2, 2018
Mayank Bansal	42	President-Strategy and Operations	October 1, 2018
Pushkar Prasad	54	EVP – Execution Support	June 17, 2013

Brief profile of key management

Except for Mr. Sumant Sinha whose profile is provided above, a brief profile of the key management is set forth below:

Ravi Seth, aged 57 years, is the Chief Financial Officer of the Company. He was appointed pursuant to an employment agreement dated February 17, 2014 as the Chief Financial Officer of the Company with effect from February 17, 2014. He holds a bachelor's degree in science from Kanpur University and is a Fellow member of the Institute of Chartered Accountants of India. He has been associated with the Company since February 17, 2014 and has over 29 years of experience in various industries including pharmaceuticals, media, tobacco, real estate, financial services, hotels and food. His functions and areas at experience in the Company include fund raising, accounting, taxation, legal and corporate governance functions. Prior to joining the Company, he has worked with Strides Arcolab Limited as their Group Chief Financial Officer and Chief Executive Officer (International Operations), Abbott India Limited as the Director (Finance), HT Media Limited and Hindustan Times Limited (as Vice President (Finance)) and various companies of the ITC Group.

Parag Sharma, aged 45 years, is the Chief Operating Officer and the head of the solar business of the Company. He was appointed pursuant to an employment agreement dated January 9, 2012 as the Chief Operating Officer of the Company with effect from January 9, 2012. He holds a bachelor's degree in science (engineering) from Aligarh Muslim University, a bachelor's degree in law from Law Centre II, University of Delhi and a master's degree in business administration from Indian Institute of Technology. He has been associated with the Company since January 9, 2012 and has over 22 years of experience in various industries. His functions and areas at experience in the Company include heading the solar division, undertaking all new diversification initiatives in respect of our international and offshore business, and transmission and regulatory affairs. Prior to joining the Company, he was associated with KPMG India Private Limited, ICRA Limited, CRISIL Limited, PricewaterhouseCoopers Limited, Alstom Power India Limited and Asea Brown Boveri Limited.

Balram Mehta, aged 49 years, is the president of the wind business and is responsible for development of strategies for the wind business of the Company. He was appointed pursuant to an employment agreement dated December 5, 2011 as the Vice President-Technical of the Company with effect from December 5, 2011. He holds a bachelor's degree in technology from the Himachal Pradesh University and a master's degree in business administration in operations management from the Indira Gandhi National Open University. He was awarded a gold medal in electrical engineering by the Himachal Pradesh University. He has been associated with the Company since December 5, 2011 and has over 25 years of experience in product and project technical due diligence, commercial and contract negotiations, project execution, operation and maintenance of wind and solar assets. His functions and areas at experience in the Company include development of the strategy for growth of our wind business and identification of potential business partners and analyzing possible opportunities of profitable association with them. Prior to joining the Company, he was associated with CLP Wind Farms (India) Private Limited, Enercon India Limited and DCM Limited.

Ravi Parmeshwar, aged 53 years, is the Chief Human Resource Officer of the Company. He was appointed pursuant to an employment agreement dated July 1, 2016 as the Chief Human Resource Officer of the Company with effect from July 1, 2016. He holds a bachelor's degree in textiles from the University of Bombay, a post graduate diploma in personnel management and industrial relations from XLRI, Jamshedpur and a master's degree in business laws from National Law School of India University. He has been associated with the Company since July 1, 2016 and has over 22 years of experience in human resource management. His functions and areas at experience in the Company include human resource management. Prior to joining the Company, he was associated with Cargill India Private Limited, Hewlett-Packard India Software Operation Private Limited, Wipro Systems and ITC Hotels Limited.

Kailash Vaswani, aged 39 years, is the Deputy CFO of the Company. He has over 18 years of experience in corporate finance and investing and has spent nearly 8 years with the Company. As part of ReNew he is responsible for all debt and equity raising, he has lead the cumulative debt raise in excess of US$2.5 bn for the various projects of the Group and cumulative equity raise of US$900 million from marquee investors such as Goldman Sachs, Abu Dhabi Investment Authority, Asian Development Bank and Global Environment Fund. Prior to ReNew Power, he worked with Corporate Finance and Investments division at Saffron Asset Advisors and Aditya Birla Group. His key strengths include transaction structuring, negotiations, strategic analysis and corporate finance.

Vaishali Nigam Sinha, aged 49 years, is the Chief – CSR, Communications and Sustainability Officer of the Company. Under the ambit of ReNew India Initiative (RII), Vaishali drives the company's engagement, corporate social responsibility and sustainability initiatives.

She is a strong advocate of equal participation of women in economic activities and passionate about Climate Change, Women's Entrepreneurship and Leadership. She has been a speaker at international forums like the California Governor's Global Climate Action Summit, Clinton Global Initiative and United Nations Global Compact Network. She is a President's invitee to Columbia World Projects – a high-level forum at Columbia University created to tackle major global challenges. She also serves on the President's Advisory Council at Wellesley College.

Vaishali is deeply engaged with industry bodies, think tanks and educational institutions. She is the Chairperson of the UN GCNI Gender Committee; Member of the Steering Committee of the CII Foundation Woman Exemplar Program; chairs the CII Northern Region Committee on CSR and Affirmative Action and the CII Task Force on Making NCR Less Polluted and is on the Advisory Council of the CII-ITC Centre of Excellence for Sustainable Development. She also serves on the Advisory Committee of Centre of Excellence for Research on Clean Air at the Indian Institute of Technology, Delhi.

Vaishali is a recipient of the CSR Leadership Award 2015 at the National Awards for Excellence in CSR and Sustainability; and is a jury member of India Impact CSR – Business Awards (IICBA) 2017 that recognizes and awards grassroots NGOs and innovators. She was also a National Finalist at the NITI Aayog Women Transforming India Awards 2018, ranking among the top 2% of women across India.

Vaishali has a Masters' in Public Policy from Columbia University's School of International and Public Affairs, where she was an American Association of University Women (AAUW) scholar. She is currently pursuing the Owners and Presidents Management Program at Harvard Business School. After a decade on Wall Street and then London as an investment banker, she returned to India, where after several years in banking, she is now a social entrepreneur.

Ajay Bhardwaj, aged 58 years, is the President of New Business at ReNew Power. He has more than 35 years' experience in T&D industry with expertise in power electronics and HVDC and FACTS technologies. He completed Electrical engineering from IIT Roorkee in 1983 and has worked in various capacities in organisations like NTPC, PowerGrid, Alstom, Sterlite Power, Suzlon etc. He has a proven track record of growing and developing businesses in challenging business environments and played a key role in developing private sector participation in power transmission in India as Business head of Sterlite Power. He has worked in different capacities/assignments in more than 25 countries. Prior to joining ReNew Power, he was Chief the Projects Officer, Suzlon Energy, Pune.

Mayank Bansal, aged 42 years, is President – Strategy and Operations at ReNew Power. He has over 20 years of experience in Strategy and Consulting and is responsible for developing current and future strategy and monitoring. He was a Partner at AT Kearney, and has worked with McKinsey and HUL.

Pushkar Prasad, aged 54 years, is EVP – Execution Support at ReNew Power. He has over 28 years of hands-on experience in operations, human resource management, administration and security. Colonel Pushkar joined ReNew Power from Wigan & Leigh College, a leading education and training organization where he held the position of the Chief Operating Officer. He has served in the Indian Army for over 22 years. Prior to his voluntary retirement, he was the Director, Engineer Staff at Army Headquarters, New Delhi, where he was responsible for training, budgets preparation and allocation of training and contingency funds. He has also commanded a combat engineer regiment and has held several important operational appointments in his army career.

All key management personnel are permanent employees of the Company.

Shareholding of Key Management

Except Mr. Sumant Sinha, none of the key management personnel own any shares of the Company. The following table sets forth the shares in the Restricted Group owned by the key management personnel.

Name	Restricted Group Entity	Number of Equity Shares	Percentage Shareholding
Parag Sharma	ReNew Wind Energy (Budh 3) Private Limited	1	Negligible
	ReNew Wind Energy (Rajasthan 3) Private Limited	1	Negligible
Balram Mehta................	ReNew Wind Energy (Devgarh) Private Limited	1	Negligible
	Kanak Renewables Limited	1	Negligible
	Rajat Renewables Limited	1	Negligible
Kailash Vaswani	Kanak Renewables Ltd	1	Negligible
	ReNew Saur Urja Private Limited	1	Negligible
	ReNew Clean Energy Private Limited	1	Negligible
	Rajat Renewables Ltd	1	Negligible

Bonus or Profit Sharing Plan of the Key Management Personnel

The Company does not have any bonus or profit sharing plan for the key management personnel.

Employee Stock Option Plans

The Company has formulated five ESOP Plans, namely, ReNew 2018 Employee Stock Option Plan ("2018 ESOP"), ReNew 2017 Employee Stock Option Plan, ReNew 2016 Employee Stock Option Plan, ReNew 2014 Employee Stock Option Plan and ReNew 2011 Employee Stock Option Plan, ("ESOP Plans") pursuant to the approval received from the Board and Shareholders of the Company.

The ESOP Plans have been designed to provide incentives to attract, retain and motivate the employees of the Company and its Subsidiaries whose present and potential contributions are important to the success of the Company, by offering them an opportunity to participate in the Company's future and also acquire a proprietary interest in the Company by award of stock options.

The 2018 ESOP has consolidated options under all former employee stock option plans formulated by the Company, namely, ReNew 2011 Employee Stock Option Plan, ReNew 2014 Employee Stock Option Plan, ReNew 2016 Employee Stock Option Plan and ReNew 2017 Employee Stock Option Plan (collectively, the "Former ESOP Plans"). Accordingly, under 2018 ESOP, 1,864,800 options are available for grant. All options that have been granted under the Former ESOP Plans shall be vested and can be exercised in the manner set out in the Former ESOP Plans and the letters of grant issued under such Former ESOP Plans.

The Company may grant up to 1,864,800 options to its employees in terms of the 2018 ESOP, in accordance with the procedure specified in the 2018 ESOP from time to time. Pursuant to the terms of the 2018 ESOP, the eligibility of employees to receive options shall be determined in accordance with the criteria specified in the 2018 ESOP from time to time.

PRINCIPAL SHAREHOLDERS

The following table presents certain information regarding the percentage of the Company's outstanding shares.

Name	Percentage of Outstanding Shares
GS Wyvern Holdings Limited	48.6%
CPP Investment Board	16.2%
ADIA	15.9%
JERA	9.1%
Global Environment Fund	3.3%
Management and Employees	6.9%
Total	**100%**

Two of our shareholders, GS Wyvern Holdings Limited and CPP Investment Board, have both agreed in principle to purchase up to approximately US$48 million each of newly issued shares of our common stock, subject to regulatory approvals and final documentation.

The following table presents certain information regarding the percentage of the Company's shares on a fully diluted basis.

Name	Percentage of Outstanding Shares
GS Wyvern Holdings Limited	46.2%
CPP Investment Board	15.4%
ADIA	15.1%
JERA	8.6%
Global Environment Fund	3.1%
Management and Employees	11.6%
Total	**100%**

The following table presents information regarding the Company's equity ownership of the Restricted Group's shares.

Name	Percentage of Outstanding Shares
Kanak Renewables Limited	100.0%
Rajat Renewables Limited	100.0%
ReNew Clean Energy Private Limited	100.0%
ReNew Saur Urja Private Limited	100.0%
ReNew Solar Energy (Telangana) Private Limited	51.0%
ReNew Wind Energy (Budh 3) Private Limited	100.0%
ReNew Wind Energy (Devgarh) Private Limited	100.0%
ReNew Wind Energy (Rajasthan 3) Private Limited	100.0%

The following table presents certain information regarding the percentage of ReNew Solar Energy (Telangana) Private Limited shares on a fully diluted basis.

Name	Percentage of Shares on a Fully Diluted Basis
Company	51%
Hareon Power Singapore Private Limited	49%
Total	**100%**

The following table presents information regarding preference shares or convertible securities issued by the Company and certain Co-Issuers, as the case may be.

Name	Nature of Preference Shares/ Convertible Securities	Number of Outstanding Preference Shares/ Convertible Securities	Shareholder	Percentage of Outstanding Preference Shares/ Convertible Securities held by the Shareholder
ReNew Solar Energy (Telangana) Private Limited	Compulsory Convertible Preference shares	6,460,825	ReNew Solar Power Private Limited	100%
ReNew Solar Energy (Telangana) Private Limited	Compulsory Convertible Debentures	5,903,630	Hareon Power Singapore Private Limited	100%
ReNew Wind Energy (Devgarh) Private Limited	Redeemable Preference shares	1,881,220	ReNew Power Limited	100%
ReNew Saur Urja Private Limited	Compulsory Convertible Preference shares	11,449,000	ReNew Solar Power Private Limited	100%
ReNew Wind Energy (Rajasthan 3) Private Limited	Compulsory Convertible Preference shares	19,790,970	ReNew Power Limited	100%

RELATED PARTY TRANSACTIONS

Each of the Group and the Restricted Group enters into transactions with related parties in the ordinary course of its business.

For details of the Group's related party transactions, as per the requirements under IND AS 24 'Related party disclosures' issued by the Institute of Chartered Accountants of India and as reported in the reviewed interim consolidated financial statements of the Group as at and for the nine months ended December 31, 2018, in the audited interim consolidated financial statements of the Group as at and for the nine months ended December 31, 2017 and in the audited consolidated financial statements of the Group as at and for the year ended March 31, 2018 and in the audited consolidated financial statements of the Group as at and for the year ended March 31, 2017, each included elsewhere in this offering memorandum.

For details of the Restricted Group's related party transactions, as per the requirements under IND AS 24 'Related party disclosures' issued by the Institute of Chartered Accountants of India and as reported in the unaudited special purpose interim combined financial statements of the Restricted Group as at and for the nine months ended December 31, 2018 and 2017, and in the audited special purpose combined financial statements of the Restricted Group as at and for the years ended March 31, 2016, 2017 and 2018, each included elsewhere in this offering memorandum.

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of the material terms of the principal financing arrangements of the Restricted Group and the Parent Guarantor. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual underlying loan agreements and other documentation.

The following table sets forth details of the amounts outstanding with regard to the fund-based and non-fund based indebtedness of the Restricted Group.

Description of indebtedness	Amount outstanding as on December 31, 2018 (in Rs. million)		Amount undrawn as on December 31, 2018 (in Rs. million)
Restricted Group Entities	**Fund-based**	**Non-fund based***	
ReNew Wind Energy (Devgarh) Private Limited			
Facility from Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("**Rabobank International**") and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. ("**FMO**")*	Rabobank International – Rs.1,107 million FMO – Rs.1,107 million	–	–
ReNew Saur Urja Private Limited			
Facility from YES Bank Limited and IFCI Limited	YES Bank Limited – Rs.200.4 million IFCI Limited – Rs.382 million	YES Bank Limited – Rs.1,928 million	Rs.137.3 million
Facilities from YES Bank Limited	Rs.755 million	Rs.1,279 million	Rs.108.1 million
ReNew Wind Energy (Rajasthan 3) Private Limited			
Facility from Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("**Rabobank International**") and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. ("**Nederlandse N.V.**")*	Rabobank International – Rs.2,723 million Nederlandse N.V. – Rs.2,723 million	–	–
ReNew Solar Energy (Telangana) Private Limited			
Facilities from YES Bank Limited, State Bank of India and Punjab & Sind Bank	YES Bank Limited – Rs.1,903 million State Bank of India – Rs.2,880 million Punjab & Sind Bank – Rs.148 million	YES Bank Limited – Rs.2,825 million	Rs.143.2 million
ReNew Wind Energy (Budh 3) Private Limited			
Facilities from YES Bank Limited	Rs.278 million	Rs.692 million	–
Facilities from YES Bank Limited	Rs.639 million	Rs.1,345 million	–
Kanak Renewables Limited and Rajat Renewables Limited			
Facilities from YES Bank Limited	Rs.2,777 million	Rs.1,726 million	Rs.806.7 million
ReNew Clean Energy Private Limited			
Facilities from YES Bank Limited	–	Rs.1550 million	–

* Translations of ECB and Non-fund based facilities were made at the exchange rate of Rs.69.79 per US$1.00, being the closing exchange rate published by the Reserve Bank of India as of December 31, 2018.

The following table sets forth details of the amounts outstanding with regard to the indebtedness of the Parent Guarantor.

Description of indebtedness	Amount outstanding as on December 31, 2018 (in Rs. million)		Amount undrawn as on December 31, 2018 (in Rs. million)
ReNew Power Limited (Parent Guarantor)	**Fund-based**	**Non-fund based**	
Facility of Rs.1,500 million from Hero FinCorp Limited	Rs.1,000 million	–	Rs.500 million
Facility of Rs.1,430 million from Coöperatieve Rabobank U.A.	Rs.1,399.97 million	–	–
Facility of Rs.4,750 million from Kotak Mahindra Bank Limited	Rs.2,000 million	Rs.683 million	Rs.2,067 million
Facility of Rs.3,300 million from RBL Bank Limited	Rs.1,000 million	Rs.909 million	Rs.1,391 million
Facility of Rs.13,000 million from YES Bank Limited	Rs.13,000 million	–	–
Rs.4,000 million Non-Convertible Debentures due 2020	Rs.4,000 million	–	–
Rs.2,000 million Non-Convertible Debentures due 2022	Rs.2,000 million	–	–
Rs.2,835 million Non-Convertible Debentures due 2020	Rs.2,835 million	–	–
Rs.3,210 million Non-Convertible Debentures due 2025	Rs.3,210 million	–	–
Rs.5,000 million Non-Convertible Debentures due 2021	Rs.5,000 million	–	–
Rs.1,210 million Non-Convertible Debentures due 2023	Rs.1,210 million	–	–
Rs.10,000 million Non-Convertible Debentures due 2021	Rs.10,000 million	–	–

Restricted Group's Borrowings

ReNew Wind Energy (Devgarh) Private Limited

Vaspet Project

Facility of Rs.2,678 million from Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.

ReNew Wind Energy (Devgarh) Private Limited ("ReNew Wind Energy (Devgarh)") entered into a facility agreement dated September 30, 2013 with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch ("Rabobank International") and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. as joint mandated lead arrangers, certain financial institutions as the original lenders and Rabobank International as agent ("Agent") in relation to the financing, construction and operation of a 49.5 MW wind farm at Vaspet, Maharashtra, India ("Vaspet Project"), for an external commercial borrowing of Rs.2,678 million ("Facility Agreement"). The hedged interest rate on the facility for as on December 31, 2018 was 13.25% per annum (substantially hedged). The purpose of availing the loan was to finance (i) the construction costs; and (ii) interest payable on or before the completion date of the Vaspet Project. ReNew Wind Energy (Devgarh) is required to repay the loan in 24 quarterly instalments starting from March 31, 2015 and ending on September 30, 2026. As of December 31, 2018, the amount outstanding (fund-based) under the term loan agreement was Rs.2,213 million (calculated at Rs.69.79 per US$1.00). The facility is proposed to be refinanced from the proceeds of this offering. For more details, see "Use of Proceeds".

Certain other terms and conditions of the term loan agreement are:

- Security

The loan is secured by a first charge in favour of the security trustee in respect of the following: (a) present and future immovable properties, movable assets, cash flows, receivables, book debts and revenues of ReNew Wind Energy (Devgarh), and intangibles pertaining to the Vaspet Project; (b) assignment of all rights, title, interest, benefits, claims and demands in the (i) project documents; (ii) authorizations in the Vaspet Project; (iii) letters of credit, guarantee, or performance bond under the project documents; (c) assignment of all insurance contracts and insurance proceeds in respect of the Vaspet Project; and (d) a first ranking *pari passu* charge in respect of the trust account and accounts of ReNew Wind Energy (Devgarh) in relation to the Vaspet Project. The loan is also secured by a pledge of the shares held by the sponsor (ReNew Power Limited) in ReNew Wind Energy (Devgarh) in favour of the security trustee.

- Financial covenants

During the currency of the term loan agreement, ReNew Wind Energy (Devgarh) is obligated to maintain a debt service coverage ratio of more than 1.15:1 as evidenced by its annual audited financial statements and to be tested on March 31 of every year commencing from March 31, 2015.

- Other covenants

ReNew Wind Energy (Devgarh) has made customary representations and warranties and has agreed to certain negative covenants, *inter alia*, to not: (i) form, acquire or have any subsidiaries; (ii) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction; (iii) make any acquisitions or investments, except as provided in the Facility Agreement; (iv) enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; (v) engage in any business or activities other than the implementation and conduct of the Vaspet Project; (vi) enter into a single transaction or a series of transactions, to sell, lease, sub-lease, transfer, discount, factor, assign or otherwise dispose of, all or any part of: (a) the Vaspet Project assets which it owns or which it has the right to prevent being disposed of; or (b) any other present or future undertakings, rights, revenues or assets of ReNew Wind Energy (Devgarh), except as provided in the Facility Agreement; (vii) ReNew Wind Energy (Devgarh) will not (a) purchase, reduce, cancel, repay or redeem any of its share capital or any option over its share capital; (b) issue any shares or grant any right to acquire or be issued any shares except as permitted in accordance with the financing documents; (c) alter the nature of, or any rights attaching to, any of its shares; (d) issue any voting capital; and (e) save in respect of payments to the Parent Guarantor ("Sponsor"), make any distributions otherwise than in accordance with the trust and retention accounts agreement; (viii) give, incur or allow to be outstanding any guarantee in respect of any person; (ix) not make any loans or otherwise grant any form of credit to any person except for loans or credit approved by the Agent; (x) create or permit to subsist any security interest over any of its assets except as permitted under the Facility Agreement; (xi) open or maintain any bank, deposit, saving or other account other than the trust and retention accounts under the Facility Agreement; (xii) amend or vary any of its constitutional documents except as permitted under the Facility Agreement; (xiii) enter into any agreements other than transaction documents or other agreements contemplated under the transaction documents, or any other agreements as provided under the Facility Agreement; and (xiv) not to undertake financial indebtedness other than permitted under the Facility Agreement.

In addition, ReNew Wind Energy (Devgarh) will ensure that the Sponsor shall not, without the prior written consent of the Agent take any action which would result in a change of control. So long as any monies remain due and outstanding to the lenders, ReNew Wind Energy (Devgarh) undertakes to promptly notify the Agent in writing of its acquisitions of immovable properties for the Vaspet Project.

- Events of default

Events of default by ReNew Wind Energy (Devgarh) include, *inter alia*, the following events: (a) default in the payment of any amount payable under any financing document unless its failure to pay is caused by administrative or technical error or a disruption event, and payment is made within 3 business days of the original due date; (b) breach of key obligations identified under the Facility Agreement; (c) any representation or statement made or deemed to be made by any relevant party in any financing document or any other document delivered by or on behalf of any relevant party under or in connection with any financing document is, or proves to have been, incorrect or misleading in any material respect when made or deemed to be made save as provided in the financing agreements; (d) a cross-default; (e) insolvency and insolvency proceedings as specified in the financing agreements; and (f) the obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

- Voluntary Prepayment

(a) ReNew Wind Energy (Devgarh) may, by providing the Agent 20 business days' notice (or such shorter period as agreed by the parties) at any time after the Vaspet project completion date, prepay the whole or any part of any loan.

(b) Any prepayment of part of any loan must be a minimum amount of US$2 million and an integral multiple of US$1 million.

(c) Any prepayment shall be applied: (i) in reducing each outstanding instalment under the facility in inverse order of maturity; (ii) pro rata among the lenders in proportion to their participation in the relevant loans, and will be paid on an interest payment date.

- Mandatory Prepayment

ReNew Wind Energy (Devgarh) is required to mandatorily prepay, *inter alia,* in the event: (a) following receipt or payment of any insurance proceeds or compensation proceeds, except as provided in the Facility Agreement; (b) change of control in relation to ReNew Wind Energy (Devgarh) occurs at any time after the date of the Facility Agreement without the prior written consent of the Agent; and (c) a debt resetting event occurs.

- Default Interest

Upon the occurrence of an event of default: (a) interest shall accrue on the outstanding loans from the date of occurrence of the event of default up to the date of cure at a rate which is 2% higher than the rate which would have been payable on such outstanding loans ("Default Interest"). Any Default Interest accruing shall be immediately payable by ReNew Wind Energy (Devgarh) on demand by the Agent; and (b) Default Interest (if unpaid) arising on an outstanding amount will be compounded with the outstanding amount at the end of each interest period applicable to that outstanding amount but will remain immediately due and payable.

ReNew Saur Urja Private Limited

Ittigi Project

Facility of Rs.2,600 million from YES Bank Limited and IFCI Limited

ReNew Saur Urja Private Limited ("ReNew Saur Urja") entered into a facility agreement dated September 19, 2016 with YES Bank Limited ("YBL") as lender and YBL as lender's agent, issuing bank, letter of undertaking ("LOU") issuing bank and IDBI Trusteeship Services Limited as the security trustee, in relation to the 50 MW solar power project at Ittigi village, Bellary District, Karnataka ("Ittigi Project"), for a Rupee term loan facility of Rs.2,600 million with a facility by way of letter(s) of undertaking for

Rs.1,990 million (the "YBL Facility Agreement"). The interest rate for the facility from YBL as on December 31, 2018 was 11.50% per annum. The purpose of availing the loan was to fund the cost of setting the Ittigi Project. ReNew Saur Urja is required to repay the loan in 55 quarterly instalments. For details in relation to the repayment schedule under the YBL Facility Agreement, see "*Appendix C*". As of December 31, 2018, the amount outstanding (fund-based) pursuant to the YBL Facility Agreement was Rs.200.4 million. Pursuant to the YBL Facility Agreement, a letter dated October 9, 2017 was issued by IFCI Limited ("IFCI") granting a: (a) Rupee term loan of Rs.750.00 million to ReNew Saur Urja (within the overall rupee term loan limit of Rs.2,600 million sanctioned by YBL); and (b) letter(s) of comfort for Rs.350.00 million in favour of YBL towards letter of undertaking issued to fund Ittigi Project. It is clarified that IFCI's letter(s) of comfort are a sub-limit of the Rupee term loan of Rs.750.00 million (the "IFCI Sanction Letter"). The interest rate for the facility from IFCI as on December 31, 2018 was 11% per annum. ReNew Saur Urja is required to repay the loan in 55 quarterly instalments with first repayment on December 31, 2017. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the IFCI Sanction Letter was Rs.382 million (YBL and IFCI are collectively referred to as the "Lenders").

Certain other terms and conditions of the term loan agreement are:

- Security

The loan is secured by: (a) charge by way of mortgage over immovable properties in relation to the Ittigi Project; (b) charge on tangible movable assets and other movable assets, accounts, project proceeds, permitted investments or other securities of the borrower, current assets, general assets, revenues and receivables whether or not deposited in accounts, book debts, operating cash flows, intangible assets in relation to the Ittigi Project; (c) charge and assignment of all rights, titles, benefits, etc. of project documents, letter of credit, trade documents, guarantee, liquidated damages, performance bonds, and insurance contracts relating to the Ittigi Project; and (d) pledge of equity and preference shares which in aggregate represent at least 51% of the equity and preference share capital. The rupee facility provided by the Lenders and all amounts payable to the hedging counterparty in connection with the hedging facility is secured by a first charge over security mentioned above. The working capital facility availed by ReNew Saur Urja is required to be secured by a first charge over the above security (excluding the DSRA and funds therein). Further, insurance policies are to be endorsed in favour of the security trustee as the beneficiary/loss payee and additional insured. A demand promissory note, letter of continuity and letter of lien and set off have also been furnished by ReNew Saur Urja in connection with the rupee facility.

ReNew Power Limited has provided a corporate guarantee for the rupee facility and hedging facility, which will subsist till the later of: (i) 1 year from COD; (ii) the achievement of PLF as envisaged in the base case; (iii) the date on which the Company has been receiving timely payments from all PPA off takers for 12 continuous months; (iv) the date of creation and perfection of all security to lenders' satisfaction; and (v) the date of execution of PPAs for the entire capacity of the project.

- Financial covenants

The Borrower is required to maintain the following financial covenants:

(a) DSCR: not less than 1.2;

(b) adjusted debt to tangible net worth: not more than 3.0;

(c) FACR: not less than 1.20; and

(d) Debt to equity ratio not to exceed 3:1.

- Other covenants

ReNew Saur Urja has made customary representations and warranties and has agreed to negative covenants, including in relation to obtaining the prior written consent of YBL, *inter alia*, to (a) take and/or agree to take or consent to any action or permit or formulate or participate in any scheme of merger, consolidation, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (b) change its management set up or directors on the board, if such change has or may have an adverse impact on the operations of the Ittigi Project; (c) other than permitted disposal, sell, lease, transfer or otherwise dispose of any of its assets or properties in relation to the Ittigi Project; (d) purchase or otherwise acquire all or part of the assets of any person or any class of shares or debentures or other securities or partnership interest or similar interest of any person; (e) amend the approved construction budget, Ittigi Project implementation schedule, financing base case, financing plan and/or annual budget; (f) permit the transfer of shares, the preference shares or any instruments convertible into shares or other equity or voting interests by the equity or preference shareholders of ReNew Saur Urja, including the promoter or permit the affecting of any change in the shareholding structure or capital structure of ReNew Saur Urja, except as otherwise permitted in the facility agreement; (g) use the proceeds of the facility for: (i) subscription to or purchase of shares/debentures and investment in real estate; (ii) acquisition of any immovable property; (iii) any capital market transaction; (iv) extending loans to the shareholders of ReNew Saur Urja or its subsidiaries/associate concerns; (v) the repayment of inter corporate deposits and/or existing loans and/or funding of ongoing and new projects of ReNew Saur Urja, its shareholders, or its or their subsidiaries/associate concerns; or (vi) any speculative purposes; (h) engage in any business other than the Ittigi Project or undertake any material modification to the scope of the Ittigi Project or any expansion, augmentation, diversification or modernization of the Ittigi Project; (i) make any investment or transfer funds by way of deposits, loans, bonds, share capital, or in any other form, other than permitted investments or set up any subsidiaries; and (j) enter into any agreement or arrangement to acquire or make available by lease the use of any property or equipment of any kind in relation to the Ittigi Project; (k) issue any debentures, raise any loan or accept any deposits; (l) undertake guarantee obligations on behalf of any person or issue any guarantee or letter of credit or provide any security, except as permitted under the transaction documents; (m) carry out any modification, amendments or alterations to the memorandum and articles of association of ReNew Saur Urja; (n) create, incur, assume or suffer to exist any security interest on or in respect of any of its property, revenue or assets forming part of the Ittigi Project, except as permitted under the YBL Facility Agreement; and (o) open and establish any account in relation to the Ittigi Project.

- Events of default

Events of default by ReNew Saur Urja include, *inter alia*, the following events:

(i) default in the payment of any repayment instalment, additional interest, further interest, commission, interest, fees, costs, charges on its due date at the place at where it is expressed to be payable and in a manner as provided for in such financing documents and such default is not remedied within 3 (three) business days from the due date; (ii) failure by an obligor or the pledgor to comply with any provision of the financing documents or in the performance of any of its obligations under any of the financing documents or breach of any undertakings or covenants, including financial covenants; (iii) any representation or warranty or statement confirmed or made or deemed to be made, by an obligor or the pledgor is incorrect, untrue and/or misleading when made or deemed to be made; (iv) ReNew Saur Urja defaults in the payment either of principal, or interest or any other money due or payable on any of its financial indebtedness; (v) winding up, bankruptcy and dissolution; (vi) if there is a change in control of ReNew Saur Urja, without the prior written approval of the Lenders; (vii) the direct shareholding of the promoter in ReNew Saur Urja, or the direct or indirect shareholding of the sponsor in ReNew Saur Urja, falls below 51% of the Equity Share Capital; (viii) an obligor or the pledgor fails to obtain, renew, maintain or comply in any respect with any clearance for the execution, delivery, performance or enforcement of the transaction documents or in respect of the Ittigi Project; and (ix) any such clearance is rescinded, terminated, suspended, modified or withheld or is determined to be invalid or shall cease to be in full force and effect.

• Voluntary Prepayment

In case of YBL: (a) ReNew Saur Urja will be entitled to prepay the loans or any part thereof after providing YBL prior written notice of not less than 30 (thirty) business days regarding such prepayment and subject to payment of the prepayment premium on the principal amounts prepaid; (b) ReNew Saur Urja will be entitled to prepay the loans or any part thereof without payment of prepayment penalty, *inter alia*, within 60 (sixty) days of the spread reset date, but subject to providing a prior written notice of not less than 30 (thirty) business days, prepay the loan that is due or payable, in whole or in part.

In case of IFCI: Prepayment penalty of 1% will be levied on the prepayment amount, except in the scenarios provided in the IFCI Sanction Letter.

• Mandatory Prepayment

ReNew Saur Urja is required to mandatorily prepay, in the event, *inter alia*: (i) any proceeds arising in connection with a breach of warranty or guarantee under any Ittigi Project document to the extent not applied towards the repair or replacement of such defective component that is a subject of such warranty; (ii) any insurance proceeds which are in the aggregate Rs.5 million or higher, per annum, to the extent such insurance proceeds are not applied towards repair, renovation, restoration or re-instating of the assets relating to which such insurance proceeds were obtained; (iii) any proceeds arising in relation to the compulsory expropriation, nationalisation, seizure or other similar event with respect to any part of the Ittigi Project; (iv) any proceeds resulting from an arbitral or judicial award received by ReNew Saur Urja with or pursuant to any Ittigi Project document; and (v) any proceeds which are in the aggregate Rs.10 million or higher, per annum, arising from the sale, transfer or disposal of the movable assets or immovable properties of ReNew Saur Urja.

• Default/Penal Interest

In case of YBL: A rate equal to 2% per annum over and above the applicable interest rate.

In case of IFCI: 2% per annum on defaulted amount in case of delay of payment.

Raichur Project

Facilities of Rs.2,288.20 million from YES Bank Limited

ReNew Saur Urja entered into a common loan agreement dated October 4, 2017, with YES Bank Limited as lender (the "Lender") and lender's agent, and IDBI Trusteeship Services as the security trustee (the "Common Loan Agreement") for facilities aggregating to a maximum of Rs.2,288.20 million (which includes a sub limit for letter of credit aggregating to Rs.1,716.10 million and a sub limit for letter of undertaking aggregating to Rs.1,716.10 million) in relation to setting up a 50 MW solar power project at Raichur, Karnataka ("Raichur Project"). As on December 31, 2018, the interest rate for the facility was 11.70% per annum. ReNew Saur Urja is required to repay the loan in 56 quarterly instalments starting from October 31, 2018 and ending on July 31, 2032. For details in relation to the repayment schedule under the Common Loan Agreement, see *"Appendix C"*. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the Common Loan Agreement was Rs.755 million.

Certain other terms and conditions of the Common Loan Agreement are:

- Security

The loan is secured by: (a) mortgage on immovable assets in relation to the Raichur Project; (b) charge on movable fixed assets, current assets, intangibles and accounts in relation to the Raichur Project; (c) pledge of 51% of the equity shares and 51% other preference shares/CCDs forming part of the project share capital in relation to the Raichur Project; and (d) assignment by way of mortgage of all project documents, documentary credit application and documents, letter of credit, guarantee, performance bond, liquidated damages, insurance contracts relating to the Raichur Project naming the security trustee as an additional insured/sole loss payee. Security except the pledge of shares will rank *pari passu* with the security interest for the benefit of the (i) lenders providing working capital facility (for an amount of Rs.80 million to be availed by the borrower for the Raichur Project); and (ii) hedging facility lenders up to 10% of the notional value of the hedging facility. The pledge ranks *pari passu* with the hedge providers up to the limit specified above. The Lender has exclusive charge over debt payment account and debt service reserve account.

ReNew Power Limited has provided a corporate guarantee which shall subsist till either project stabilization date or date on which secured obligations are paid and discharged.

- Financial Covenants

ReNew Saur Urja is required to maintain the following financial covenants:

(a) Debt to equity ratio should not exceed 3:1;

(b) DSCR: equal to or greater than 1.2;

(c) Ratio of adjusted debt to tangible net worth: less than or equal to 3.0; and

(d) FACR: equal to or greater than 1.20.

- Other Covenants

ReNew Saur Urja has customary representations and has also agreed to negative covenants which include, *inter alia*, obtaining prior written consent of the Lender for: (a) undertaking any merger, consolidation, reorganization, takeover, amalgamation, compromise or similar arrangements, or sale, lease, transfer or otherwise dispose of any assets except as provided under the Common Loan Agreement; (b) acquiring all or part of the assets of any other person or any class of shares or debentures or partnership interest or similar interest of any person except with the prior permission in writing of the lender's agent; (c) making any investment by way of deposits, loans, bonds, share capital, or in any other form except as provided under the Common Loan Agreement; (d) registering transfer of shares made/to be made except as permitted; (e) creating any security interest on or in any secured property or any other property or assets or rights or claims except with prior permission in writing from the Lender; (f) creating any subsidiaries, change its business activities; (g) undertaking any new project or expansion of existing project or make any investments without prior approval, except as provided under the Common Loan Agreement; (h) prepaying any facility or debt without prior permission from the lender's agent; (i) paying any commission to its promoter, directors, managers or other persons for furnishing guarantees or indemnity or for undertaking any liability in connection with any financial assistance obtained by it or any other obligation undertaken by ReNew Saur Urja for the purpose of the Raichur Project; (j) carrying out any modifications, amendments, or alterations to its memorandum and articles of association; (k) issuing equity or preferential capital, any security convertible into or exchangeable for its equity or preference capital, or any rights/option to subscribe/purchase relating to its equity or preference capital except as permitted under the financing documents, and shall not issuing any shares other than fully paid shares; (l) altering its capital structure which may lead to an increase in the debt to equity ratio beyond permissible limits in terms of the Common Loan Agreement; (m) undertaking guarantee obligations or issue letters of comfort on behalf of any other company, firm or person, or undertake any monetary or legal obligation on behalf of any of its group companies, without the prior approval of the lender's agent; (n) winding up, liquidating or dissolving its affairs, purchasing or otherwise acquiring any part of property or asset of any person, except as provided under the Common Loan Agreement; (o) repaying/redeeming any equity capital/preference capital/mezzanine capital or unsecured debt during the tenure of the facilities, or repaying loans and deposits and discharging other liabilities except as provided under the Common Loan Agreement; (p) entering into borrowing agreement or create, or incur any indebtedness except as provided under the Common Loan Agreement; (q) entering into any partnership, profit sharing or royalty agreement or other similar agreement where income may be shared, or entering into any management contract or similar arrangement whereby business or operations of ReNew Saur Urja are managed by any other persons; (r) inducting a person in any capacity who is a director of an entity identified as wilful defaulter; and (s) lend money or make deposits or advances, or purchase or acquire any stock or other interest in assets of any other person, except as permitted under the Common Loan Agreement and the trust and retention account agreement.

- Events of Default

Events of default by ReNew Saur Urja include, *inter alia,* the following events:

(i) default in payment of any repayment instalment within 3 business days from the due date; (ii) default in payment of any interest, or commission payable under the financing documents within 3 business days from the due date; (iii) failure by any promoter or pledgor of any amount owing under any financing document; (iv) event of default or refusal of disbursement/cancellation under any agreement on account of non-compliance with the terms of any financial assistance relating to any indebtedness of ReNew Saur Urja; (v) default in performance of covenant, condition, warranties or provisions of the Common Loan Agreement or any other transaction document; (vi) ReNew Saur Urja becoming subject of proceedings under any bankruptcy or insolvency law or is voluntarily dissolved; (vii) any receiver, trustee, custodian, liquidator or other similar officer has been appointed in relation to ReNew Saur Urja or promoter or any of their assets; (viii) any notice for an event of default has been issued in relation to any transaction document and is not waived or repudiated or ceases to be in full force or becomes illegal, invalid or unenforceable; (ix) any litigation, arbitration or administrative proceedings or claim before court, tribunal, or others exceeding Rs.50 million which is expected to have a material adverse effect is commenced against ReNew Saur Urja, or one or more judgements or decrees against ReNew Saur Urja and the same is not vacated, discharged or stayed; (x) taking the following actions without the prior written approval of the facility agent: (a) any reorganization including change in its ownership structure; (b) dilution of the shareholding of the promoter in the borrower falling below 51%; (c) dilution of the shareholding of the sponsor in the promoter falling below 51%; and (xi) failure to achieve commercial operation date, on or before scheduled commercial operation date or other extended period allowed by the facility agent.

- Voluntary Prepayment

ReNew Saur Urja has the option to prepay the facilities under the Common Loan Agreement upon giving 30 days' notice to the Lender along with the payment of prepayment premium at the rate of 1% plus applicable taxes of the principal amount prepaid.

Prepayment without prepayment premium can be made, in the following circumstances: (a) if the repayment is effected at the instance of the Lender; (b) if prepayment is effected within 90 days from a reset date and by giving 30 days' notice of the same from such reset date; (c) if prepayment is pursuant to mandatory prepayment as provided under the Common Loan Agreement; (d) if prepayment is made from the internal accruals or out of promoter's sources; (e) if prepayment is effected pursuant to cash sweep; (f) if prepayment is made pursuant to non-acceptance by ReNew Saur Urja of the requirement to furnish additional security under the Common Loan Agreement; (g) if the credit worthiness of borrower and/or any security deteriorates in the sole opinion of the Lender and/or the credit rating of the facilities is downgraded by the credit rating agency and the same entitled the Lender to take an action as per the Common Loan Agreement; and (h) if prepayment is made out of takeout financing through bonds/NCDs from the India Infrastructure Finance Company Limited as provided under the Common Loan Agreement.

• <u>Mandatory Prepayment</u>

ReNew Saur Urja is required to mandatorily prepay the facilities without prepayment premium out of the following: (a) any insurance proceeds valuing Rs.5 million or above per annum provided such proceeds are first used for reinstating the damaged assets and balance to be applied to such prepayment; (b) proceeds from sale, transfer, disposal of movable and immovable assets of ReNew Saur Urja valuing Rs.10 million or above per annum, whether in aggregate in a fiscal year or individually; (c) any contractual damages/liquidated damages/penalties paid under any of the project documents to the extent permitted under the Common Loan Agreement or to pay for the completion of the work under the project document which was not completed on account of circumstances specified under the Common Loan Agreement; (d) any proceeds resulting from an arbitral or judicial award in connection with any of the project documents; (e) any proceeds in connection with a breach of guarantee or warranty under any project document to the extent permitted under the Common Loan Agreement; (f) any proceeds arising from the compulsory expropriation, nationalization, seizure or other similar event with respect to any part of the Raichur Project; (g) proceeds infused into ReNew Saur Urja by the promoter and sponsor under the Common Loan Agreement to ensure maintenance of a minimum DCSR of 1.20.

• <u>Default/Penal Interest</u>

In case of default in payment of any repayment instalments or the payment of any interest and other monies becoming due under the Common Loan Agreement, ReNew Saur Urja shall pay to the Lender, liquidated damages at the rate of 2.00% per annum on the defaulted amounts over and above the applicable interest rate on the defaulted amounts.

ReNew Wind Energy (Rajasthan 3) Private Limited

Bhesada Project

Facility of Rs.5,593.56 million from Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.

ReNew Wind Energy (Rajasthan 3) Private Limited ("ReNew Wind Energy (Rajasthan 3)") entered into a facility agreement dated April 30, 2015 with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Hong Kong Branch ("Rabobank International") and Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. ("Nederlandse N.V.") as lenders and joint mandated lead arrangers, and Rabobank International as facility agent ("Agent") in relation to the financing, construction and operation of a 100.8 MW wind farm at Bhesada, Rajasthan, India ("Bhesada Project"), for two facilities of (a) Rs.2,970 million from Rabobank International ("Facility I"); and (b) Rs.2,970 million from Nederlandse N.V. ("Facility II") ("Facility Agreement"). Pursuant to letters dated March 17, 2016, July 15, 2016 and August 8, 2016 from Rabobank International approving the request for cancellation of facilities, the sanctioned amount under the Facility Agreement was reduced to Rs.2,796.78 each under both Facility I and Facility II. Through an amendment to the Facility Agreement dated February 24, 2016, Facility I was divided into two facilities ("Facility IA and Facility IB") of Rs.1,485 million each. The hedged interest rate on the facilities as on December 31, 2018 was 11.09% per annum. The purpose of availing the loan was to finance (i) any outstanding payment to Suzlon Energy Limited for which a letter of credit has been issued; (ii) the construction costs; and (iii) interest payable on or before the Bhesada Project completion date. ReNew Wind Energy (Rajasthan 3) is required to repay the loan in the following manner: (a) Facility IA in 18 quarterly instalments starting from December 31, 2016 and ending on March 31, 2021; (b) Facility IB in 20 quarterly instalments starting from December 31, 2016 and ending on September 30, 2021; and (c) Facility II in 53 quarterly instalments starting from December 31, 2016 and ending on December 31, 2029. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the term loan agreement was Rs.5,446 million (calculated @ 69.79 INR/USD). The facilities are proposed to be refinanced from the proceeds of this offering. For more details, see "Use of Proceeds".

Certain other terms and conditions of the Facility Agreement are:

- Security:

The loan is secured by a first charge in favour of the security trustee in respect of the following: (a) immovable properties, movable assets, cash flows, receivables, book debts and revenues of ReNew Wind Energy (Rajasthan 3), and intangibles pertaining to the Bhesada Project; (b) assignment of all rights, benefits, claims and demands in the (i) project documents; (ii) authorizations in the Bhesada Project; (iii) letter of credit, guarantee, or performance bond under the project documents; (c) assignment of all insurance contracts and insurance proceeds in respect of the Bhesada Project; and (d) a first ranking *pari passu* charge in respect of the trust and retention account and accounts of ReNew Wind Energy (Rajasthan 3). The loan is also secured by a pledge of the shares held by the sponsor in ReNew Wind Energy (Rajasthan 3).

- Financial covenants:

During the currency of the term loan agreement, ReNew Wind Energy (Rajasthan 3) is obligated to maintain debt service coverage ratio of more than 1.15:1 as evidenced by its annual audited financial statements and to be tested on March 31st of every year commencing from March 31, 2017.

- Other covenants:

ReNew Wind Energy (Rajasthan 3) has made customary representations and warranties and has agreed to certain negative covenants, *inter alia*, to not: (i) form, acquire or have any subsidiaries; (ii) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction; (iii) make any acquisitions or investments, except as provided in the Facility Agreement; (iv) acquire a company or any shares or securities or a business or undertaking; (v) enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; (vi) engage in any business or activities other than the implementation and conduct of the Bhesada Project; (vii) enter into a single transaction or a series of transactions to sell, lease, sub-lease, transfer, discount, factor, assign or otherwise dispose of, all or any part of (a) the Bhesada Project assets which it owns or which it has the right to prevent being disposed of; or (b) any other present or future undertakings, rights, revenues or assets of ReNew Wind Energy (Rajasthan 3), except as provided in the Facility Agreement; (viii) except as provided in the Facility Agreement, ReNew Wind Energy (Rajasthan 3) will not (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by ReNew Wind Energy (Rajasthan 3) or any major project party; (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms; (c) enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset; and (ix) ReNew Wind Energy (Rajasthan 3) will not (a) purchase, reduce, cancel, repay or redeem any of its share capital or any option over its share capital; (b) issue any shares or grant any right to acquire or be issued any shares except as permitted in accordance with the finance documents; (c) alter the nature of, or any rights attaching to, any of its shares; (d) issue any voting capital; or (e) save in respect of payments to the sponsor, make any distributions otherwise than in accordance with the trust and retention accounts agreement; (x) give, incur or allow to be outstanding any guarantee in respect of any person; (xi) not make any loans or otherwise grant any form of credit to any person except for loans or credit approved by the Agent; (xii) create or permit to subsist any security interest over any of its assets except as permitted under the Facility Agreement; (xiii) open or maintain any bank, deposit, saving or other account other than the trust and retention accounts under the Facility Agreement; (xiv) amend or vary any of its constitutional documents except as permitted under the Facility Agreement; and (xv) enter into any agreements other than transaction documents or other agreements contemplated under the transaction documents, or any other agreements as provided under the Facility Agreement.

In addition, ReNew Wind Energy (Rajasthan 3) will ensure that the sponsor shall not, without the prior written consent of the Agent take any action which would result in a change of control. So long as any monies remain due and outstanding to the lenders, ReNew Wind Energy (Rajasthan 3) undertakes to promptly notify the Agent in writing of its acquisitions of immovable properties for the Bhesada Project.

- Events of default:

Events of default by ReNew Wind Energy (Rajasthan 3) include, *inter alia* the following events: (a) default in the payment of any amount payable under any finance document unless its failure to pay is caused by administrative or technical error or a disruption event, and payment is made within 3 business days of the original due date; (b) breach of key obligations identified under the Facility Agreement; (c) any representation or statement made or deemed to be made by any relevant party in any finance document or any other document delivered by or on behalf of any relevant party under or in connection with any finance document is, or proves to have been, incorrect or misleading in any material respect when made or deemed to be made save as provided in the Facility Agreement; (d) cross-default; (e) insolvency and insolvency proceedings as specified in the Facility Agreement; and (f) the obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

- Voluntary Prepayment:

(a) ReNew Wind Energy (Rajasthan 3) may, by providing the Agent 20 business days' notice (or such shorter period as the relevant finance parties may agree) at any time after the Bhesada Project completion date, prepay the whole or any part of any loan;

(b) Any prepayment of part of any loan must be a minimum amount of US$2 million and an integral multiple of US$1 million; and

(c) Any prepayment shall be applied: (i) pro rata between Facility IA, Facility IB and Facility II; (ii) in reducing each outstanding instalment under the relevant facility pro rata; and (iii) pro rata among the lenders in proportion to their participation in the relevant loans, and will be paid on an interest payment date.

- Mandatory Prepayment:

ReNew Wind Energy (Rajasthan 3) is required to mandatorily prepay in the event, *inter alia*: (a) following receipt or payment of any insurance proceeds or compensation proceeds except as provided under the Facility Agreement; (b) change of control in relation to ReNew Wind Energy (Rajasthan 3) occurs at any time after the date of the Facility Agreement without the prior written consent of the Agent (acting on the instructions of the relevant finance parties); and (c) a debt resetting event occurs.

- Default/Penal Interest

Upon the occurrence of an event of default: (a) interest shall accrue on the outstanding loans from the date of occurrence of the event of default up to the date of cure at a rate which is 2% higher than the rate which would have been payable on such outstanding Loans ("Default Interest"). Any Default Interest accruing shall be immediately payable by ReNew Wind Energy (Rajasthan 3) on demand by the Agent; and (b) Default Interest (if unpaid) arising on an outstanding amount will be compounded with the outstanding amount at the end of each interest period applicable to that outstanding amount but will remain immediately due and payable.

ReNew Solar Energy (Telangana) Private Limited

Dichipally Project

Facilities of Rs.7,856.90 million from YES Bank Limited, State Bank of India and Punjab & Sind Bank

ReNew Solar Energy (Telangana) Private Limited ("ReNew Solar Energy") entered into a facility agreement dated November 2, 2016, with YES Bank Limited and State Bank of India as lenders (the "Lenders"), Lenders as issuing banks and the letter of undertaking ("LOU") issuing banks, State Bank of India as lender's agent, and SBICAP Trustee Company Limited as the security trustee (the "Facility Agreement") for facilities aggregating to Rs.7,856.90 million (which includes a sub-limit for letter of credit facility aggregating to Rs.6,590.80 million and a sub-limit for letter of undertaking aggregating to Rs.6,590.80 million) divided into the following facilities: (a) Rs.2,910 million from State Bank of India ("Facility I"); and (b) Rs.4,946.90 million from YES Bank Limited ("Facility II") in relation to the development, construction, implementation and setting-up as well as other ancillary developments (including support utilities) in relation to a 143 MW solar power project at Dichipally, Nizamabad District, Telangana ("Dichipally Project"). Pursuant to the Facility Agreement, a sanction letter dated January 19, 2017 was issued by Punjab & Sind Bank ("PSB") granting a term loan of Rs.500 million to ReNew Solar Energy (with sub-limits for letter of credit, letter of undertaking and buyers' credit of Rs.350 million). Subsequently, through a novation and transfer notice dated January 25, 2017 between PSB and YES Bank Limited, PSB was added as a lender under the Facility Agreement and Rs.500 million out of Facility II was novated and transferred in the name of PSB ("Facility III"). Facility II was accordingly reduced to Rs.4,446.9 million. The interest rate on the facilities as on December 31, 2018 was 10.05% per annum for Facility I and 10.35% per annum for Facility II and Facility III. ReNew Solar Energy is required to repay the loan in 69 quarterly instalments starting from March 31, 2018 and ending on March 31, 2035. For details in relation to the repayment schedule in respect of Facility II, see *"Appendix C"*. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the Facility Agreement was Rs.4,930 million.

Certain other terms and conditions of the Facility Agreement are:

- Security

The Lenders and the hedge counterparty will have security over *inter alia* the following assets: (a) charge by way of mortgage on immovable properties; (b) charge on tangible movable assets and other movable assets, accounts, project proceeds, permitted investments or other securities of the ReNew Solar Energy, current assets, general assets, revenues and receivables whether or not deposited in accounts, book debts, operating cash flows, intangible assets; (c) assignment of all rights, titles, benefits, etc. of (i) project documents, (ii) clearances as per applicable law, (iii) letter of credit, trade documents, guarantee, liquidated damages, performance bond, (iv) insurance contracts; and (d) pledge of the equity and preference shares which in aggregate represent at least 51% of the money infused in the borrower by the promoter, investor, or any other person by subscription of equity shares, preference shares, CCDs or any other convertible instruments. Currently, the pledge is on 51% equity shares and 100% preference shares, which are held by the promoter. The rupee facilities and hedging facility are secured by first charge over security mentioned above.

Working capital facilities (availed and/or to be availed by ReNew Solar Energy in relation to the Dichipally Project from the working capital lender i.e., YES Bank Limited, to the extent of INR 20.9 million) will be secured by: (a) first charge over current assets; (b) second charge over tangible movable assets and general assets; and (c) first charge over accounts, project proceeds, permitted investments or other securities of the ReNew Solar Energy. Bank guarantee facility (up to an amount of Rs.28.6 million) provided and/or proposed to be provided by the bank guarantee lender i.e. YES Bank Limited) will be secured by second charge over tangible movable assets, current assets and general assets.

ReNew Power Limited has provided a corporate guarantee which shall subsist till the later of: (i) COD; (ii) when Dichipally Project achieves satisfactory operational performance i.e., PLF equal to or more than P90 base case estimates for one complete fiscal year; (iii) required security has been created and perfected; or (iv) date on which DSRA for interest, repayment instalment, hedging premium and repayment value for the issued letters of credit and letters of undertaking, for the ensuing six (6) months has been created.

• Financial Covenants

During the currency of the Facility Agreement, ReNew Solar Energy is required to maintain the following financial covenants for each fiscal year until the final settlement date:

(a) Debt service coverage ratio: not less than 1.20;

(b) Adjusted debt to tangible net-worth: not more than 3.00;

(c) Fixed asset coverage ratio: not less than 1.22;

(d) Interest coverage ratio: not less than 1.58; and

(e) Debt to Equity ratio: not to exceed 3:1

• Other Covenants

The ReNew Solar Energy has customary representations and has also agreed to negative covenants which include, *inter alia*, in relation to obtaining prior written consent of the Lender to: (a) effect, formulate, permit or participate in any merger, consolidation, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (b) change its management set up/structure or director on its board; (c) sell, lease, transfer or otherwise dispose of assets or properties except as provided in the Facility Agreement; (d) permit the transfer of shares or any instruments convertible into shares or any other equity or voting interests by its equity shareholders or permit any change in its shareholding structure or capital structure except as otherwise permitted in the Facility Agreement; (e) use the proceedings of the facilities, *inter alia*, for: (i) subscription to or purchase of shares/debentures and investment in real estate; (ii) acquisition of any immovable property; (iii) extending loans to its shareholder or its subsidiaries/associate concerns; and (iv) the repayment of inter corporate deposits and/or existing loans and/or funding of ongoing and new projects of ReNew Solar Energy or their subsidiaries/associate concerns; and (v) any capital market transaction; (f) change its business activity, engage in any business other than the Dichipally Project or undertake any material modification to the scope of the Dichipally Project or any other expansion, augmentation, diversification or modernization of the Dichipally Project; (g) make any investment or transfer funds by way of deposits, loans, bonds, share capital, or in any other form except as provided under the Facility Agreement (h) enter into agreement or arrangement to acquire or make available by lease the use of any property or equipment; (i) lend money or advances (other than provided under the Facility Agreement to any person; (j) issue any debentures, raise any loan, accept any deposits, issue or allot any securities convertible into or exchangeable or its equity capital and any rights to subscribe for or to purchase or any option for the purchase of, or any agreements, arrangements or understandings providing for the issuance (contingent or otherwise) of, or any calls, commitments or claims of any character relating to its equity share capital; (k) undertake guarantee obligations on behalf of any person or issue any guarantee or letter of credit or provide any security (except under the Project Documents); (l) carry out any modifications, amendments, or alteration to its memorandum and articles of association; (m) create any escrow or other similar arrangements over any of its receivables for the benefit of any person other than the TRA agreement; (n) effect any change in the means of finance of projects resulting in the Debt to Equity Ratio increasing beyond 3:1; and (o) undertake any obligation, monetary or legal on behalf of any of its group companies or affiliates.

- Events of Default

Events of default by ReNew Solar Energy include, *inter alia,* the following events:

(i) default in payment of any interest, additional interest, commission payable or any other amounts under the financing documents within 3 business days from the due date; (ii) non-compliance with any provision of the financing documents or in performance of any of its obligations under any of the financing documents; (iii) any transactional document or any provisions of transactional document: (1) ceasing to be in full force and effect; or (2) being assigned or otherwise be transferred or prematurely terminated prior to the final settlement date; or (3) becoming invalid, illegal or unenforceable; or (4) being terminated, suspended or repudiated; or (5) any person (other than secured party) repudiating or disavowing or taking any action to challenge the validity or enforceability of such agreement; (iv) any default or failure by any project participant and/or ReNew Solar Energy to fulfil their obligations under any project document or occurrence of an event of default under any project document; (v) any misrepresentation in or in connection with the financing documents or any other documents under or in connection with any financing document; (vi) (a) non-creation, non-perfection or non-maintenance of security as stipulated under the Facility Agreement; (b) failure of security document to provide the security interest, rights, titles, remedies, etc. intended to be created thereby and such security interest fails to have the priority contemplated in such security documents, or any security documents or security interest cease to be in full force and effect, or their validity or application is jeopardized or endangered in any manner whatsoever; (c) if security is inadequate in the opinion of the Lenders, or any event or circumstance has occurred which in the opinion of the Lenders depreciates the security in any manner; (vii) failure by an obligor or pledgor to obtain, renew, maintain and comply with any clearance for the execution, delivery, performance or enforcement of the transaction documents or in respect of the Dichipally Project, or termination/suspension of such clearance; (viii) it is or becomes unlawful for ReNew Solar Energy to carry out the Dichipally Project or any part thereof or it becomes unlawful for an obligor or the pledgor to perform their respective obligations under the Facility Agreement and/or any other transactional document; (ix) cross default in relation to any of the financial indebtedness by the sponsor, promoter and ReNew Solar Energy; (x) failure to achieve commercial operation date in the specified time; (xi) failure to maintain adequate insurance cover as required under the transaction documents; (xii) initiation of proceedings under any applicable bankruptcy, insolvency, winding up or other similar law; (xiii) shareholding of the promoter in ReNew Solar Energy falling below 51% without the consent of the facility agent; and (xiv) change in control of ReNew Solar Energy without the prior written approval of the Lenders.

- Voluntary Prepayment:

ReNew Solar Energy has the option to prepay the facilities before such amounts become due without payment of the prepayment premium if the Lenders increase the spread as provided in the Facility Agreement. ReNew Solar Energy can also prepay the facilities without paying the prepayment premium within 60 days after the occurrence of an event resulting in an increased cost being payable to lender subject to a notice as provided under the Facility Agreement ReNew Solar Energy may also prepay the loans thereof without the payment of any prepayment premium, *inter alia*, in the following situations: (i) if prepayment is made pursuant to written instructions of the Lenders; (ii) if prepayment is made out of the surplus cash accruals of ReNew Solar Energy; and (iii) if prepayment is made out of the prepayment amount infused in ReNew Solar Energy.

- Mandatory Prepayment:

ReNew Solar Energy is required to mandatorily prepay the facilities in full or in part (along with interest and other charges) without prepayment premium, upon receipt of any of the following: (a) in the event the borrower or any other person receives funds in respect of, *inter alia*: (i) contractual damages under the project documents; (ii) proceeds out of a breach of warranty/guarantee under any project document; (iii) insurance proceeds in aggregate of Rs.10 million or higher per annum as provided under the Facility Agreement; (iv) any grant received by ReNew Solar Energy from any government authority; (v) proceeds from an arbitral or judicial award received by ReNew Solar Energy in connection with any project document; and (vi) any proceeds in aggregate of Rs.10 million or higher per annum arising from the same, transfer or disposal of the movable or immovable assets of ReNew Solar Energy; (b) In the event the DSCR exceeds 1.30, 50% of the cash surplus available with ReNew Solar Energy after achieving the DSCR of 1.30 will be utilized for mandatory repayment of loans to the Lenders; (c) The sponsor shall be required to prepay all loans and the entire obligation in relation thereto within 60 days from the date of demand by the facility agent, in the following events: (i) the shareholding of the sponsor in the promoter falls below 51% of the equity share capital of the promoter or (ii) the shareholding of the promoter in ReNew Solar Energy falls below 51% of its equity share capital; or (iii) the direct or indirect shareholding of the sponsor in ReNew Solar Energy falls below 51% of the equity share capital; (d) In the event the Dichipally Project is reduced as a result of the change in the scope of the Dichipally Project and the facilities and the equity contributions are proportionately reduced in the debt to equity ratio.

- Default/Penal Interest:

In case of default by ReNew Solar Energy in payment of any amount due or payable by it under any financing document on the relevant due date, ReNew Solar Energy shall pay liquidated damages at the rate of 2% per annum in addition to the applicable interest rate.

ReNew Wind Energy (Budh 3) Private Limited

Ladha Project

Facilities of Rs.1,021.48 million from YES Bank Limited

ReNew Wind Energy (Budh 3) Private Limited ("ReNew Wind Energy (Budh 3)") entered into a common loan agreement dated March 9, 2018 with YES Bank Limited as the lender (the "Lender") and lender's agent, and Axis Trustee Services Limited as the security trustee (the "Common Loan Agreement") for facilities aggregating to a maximum of Rs.1,021.48 million (which includes a sub limit for letter of credit aggregating to Rs.761.1 million and a sub limit for letter of undertaking aggregating to Rs.761.1 million) ("Facility") in relation to setting up a 20 MW solar power project at Ladha, Karnataka ("Ladha Project"). The interest rate on the Facility as on December 31, 2018 was 11.65% per annum. ReNew Wind Energy (Budh 3) is required to repay the loan in 66 quarterly instalments starting from March 31, 2019 and ending on June 30, 2035. For details in relation to the repayment schedule under the Common Loan Agreement, see *"Appendix C"*. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the Common Loan Agreement was Rs.278 million.

Certain other terms and conditions of the Common Loan Agreement are:

- Security

The Lender has security over *inter alia* the following assets: (a) mortgage on immovable assets of the Ladha Project; (b) charge on movable fixed assets, current assets, intangibles and accounts of the Ladha Project; (c) pledge of 51% of the equity shares, 51% of the preference shares, and 51% of the CCDs of ReNew Wind Energy (Budh 3); (d) assignment of all project documents, documentary credit application and documents, letter of credit, guarantee, performance bond, liquidated damages relating to the Ladha Project; (e) insurance contracts naming the security trustee as an additional insured/sole loss payee relating to the Ladha Project; and (f) corporate guarantee of sponsor until project stabilization date. Security except the pledge of shares will rank *pari passu* with the security interest for the benefit of the (i) lenders providing working capital facility (for an amount of Rs.65 million to be availed by ReNew Wind Energy (Budh 3) for the Ladha Project); and (ii) for the benefit of the lenders of the hedging facility up to 10% of the notional value of the hedging facility.

ReNew Power Limited has provided a corporate guarantee till project stabilization date (1 year after commercial operation date, 90% of base case plant load factor achieved for 12 months, stable billing cycle – 3 consecutive payments within 30 days and security creation and perfection) or the date on which secured obligations are paid and discharged.

- Financial Covenants:

  ReNew Wind Energy (Budh 3) is required to maintain the following financial covenants:

  (a) Debt to equity ratio should not exceed 3:1;

  (b) DSCR: equal to or greater than 1.2;

  (c) Ratio of adjusted debt to tangible net worth: less than or equal to 3.0; and

  (d) FACR: equal to or greater than 1.20.

- Other Covenants:

ReNew Wind Energy (Budh 3) has customary representations and has also agreed to negative covenants which include, *inter alia*, obtaining prior written consent of the Lender for: (a) undertaking any merger, consolidation, reorganization, takeover, amalgamation, compromise or similar arrangements, or sell, lease, transfer or otherwise dispose of any assets except as provided under the Common Loan Agreement; (b) acquiring all or part of the assets of any other person or any class of shares or debentures or partnership interest or similar interest of any person except with the prior permission in writing of the lender's agent; (c) making any investment by way of deposits, loans, bonds, share capital, or in any other form except as provided under the Common Loan Agreement; (d) registering transfer of shares made/to be made except as permitted; (e) creating any security interest on or in any secured property or any other property or assets or rights or claims except with prior permission in writing from the Lender; (f) creating any subsidiaries, change its business activities; (g) undertaking any new project or expansion of existing project or make any investments without prior approval, except as provided under the Common Loan Agreement; (h) prepaying any facility or debt without prior permission from the lender's agent; (i) paying any commission to its promoter, directors, managers or other persons for furnishing guarantees or indemnity or for undertaking any liability in connection with any financial assistance obtained by it or any other obligation undertaken by ReNew Wind Energy (Budh 3) for the purpose of the Ladha Project; (j) issuing equity or preferential capital, any security convertible into or exchangeable for its equity or preference capital, or any rights/option to subscribe/purchase relating to its equity or preference capital except as permitted under the financing documents, and shall not issuing any shares other than fully paid shares; (k) altering its capital structure which may lead to an increase in the debt to equity ratio beyond permissible limits in terms of the Common Loan Agreement; (l) undertaking guarantee obligations or issue letters of comfort on behalf of any other company, firm or person, or undertake any monetary or legal obligation on behalf of any of its group companies, without the prior approval of the lender's agent; (m) winding up, liquidating or dissolving its affairs, purchasing or otherwise acquiring any part of property or asset of any person, except as provided under the Common Loan Agreement; (n) repaying/redeeming any equity capital/preference capital/mezzanine capital or unsecured debt during the tenure of the facilities, or repaying loans and deposits and discharging other liabilities except as provided under the Common Loan Agreement; (o) entering into borrowing agreement or create, or incur any indebtedness except as provided under the Common Loan Agreement; (p) entering into any partnership, profit sharing or royalty agreement or other similar agreement where income may be shared, or entering into any management contract or similar arrangement whereby business or operations of ReNew Wind Energy (Budh 3) are managed by any other persons; (q) inducting a person in any capacity who is a director of an entity identified as wilful defaulter; (r) carry out any amendments or alterations to the memorandum and articles of association which would be detrimental to the interest of the Lender and inconsistent with undertaking the Ladha Project, or with any of the transaction documents; and (s) open and establish any account in relation to the Ladha Project.

- Events of Default:

Events of default by ReNew Wind Energy (Budh 3) include, *inter alia,* the following events:

(i) default in payment of any repayment instalment within 3 business days from the due date; (ii) default in payment of any interest, or commission payable under the financing documents within 3 business days from the due date; (iii) failure by any promoter or pledgor of payment of any amount owing under any financing document; (iv) event of default or refusal of disbursement/cancellation under any agreement on account of non-compliance with the terms of any financial assistance relating to any indebtedness of ReNew Wind Energy (Budh 3); (v) default in performance of covenant, condition, warranties or provisions of the Common Loan Agreement or any other transaction document; (vi) ReNew Wind Energy (Budh 3) becoming subject of proceedings under any bankruptcy or insolvency law or is voluntarily dissolved; (vii) any receiver, trustee, custodian, liquidator or other similar officer has been appointed in relation to ReNew Wind Energy (Budh 3) or promoter or any of their assets; (viii) any notice for an event of default has been issued in relation to any transaction document and is not waived or repudiated or ceases to be in full force or becomes illegal, invalid or unenforceable; (ix) any litigation, arbitration or administrative proceedings or claim before court, tribunal, or others exceeding Rs.50 million which is expected to have a material adverse effect is commenced against ReNew Wind Energy (Budh 3), or one or more judgements or decrees against ReNew Wind Energy (Budh 3) and the same is not vacated, discharged or stayed; (x) taking the following actions without the prior written approval of the lender's agent: (a) any reorganization including change in its ownership structure; (b) dilution of the shareholding of the promoter in the borrower falling below 51%; (c) dilution of the shareholding of the sponsor in the promoter falling below 51%; and (xi) failure to achieve commercial operation date, on or before scheduled commercial operation date or other extended period allowed by the lender's agent.

- Voluntary Prepayment:

ReNew Wind Energy (Budh 3) has the option to prepay the facilities in full or in part (along with the costs, interest and other charges payable) under the Common Loan Agreement upon giving thirty (30) days' notice to the Lender along with the payment of prepayment premium at the rate of 1% plus applicable taxes of the principal amount prepaid.

Prepayment without prepayment premium can be made, in the following circumstances: (a) if the repayment is effected at the instance of the Lender; (b) if prepayment is effected within 90 days from a reset date by giving a notice of 30 days from such reset date; (c) if prepayment is pursuant to mandatory prepayment as provided under the Common Loan Agreement; (d) if prepayment is made from the internal accruals or out of promoter's sources; (e) if prepayment is effected pursuant to cash sweep; (f) if prepayment is made pursuant to non-acceptance by ReNew Wind Energy (Budh 3) of the requirement to furnish additional security under the Common Loan Agreement; (g) if the credit worthiness of borrower and/or any security deteriorates in the sole opinion of the Lender and/or the credit rating of the facilities is downgraded by the credit rating agency and the same entitled the Lender to take an action as per the Common Loan Agreement; and (h) if prepayment is made out of takeout financing through bonds/NCDs from the India Infrastructure Finance Company Limited as provided under the Common Loan Agreement.

- Mandatory Prepayment:

ReNew Wind Energy (Budh 3) is required to mandatorily prepay the facilities in full or in part (along with interest and other charges) without prepayment premium out of the following: (a) any insurance proceeds valuing Rs.5 million or above per annum provided such proceeds are first used for reinstating the damaged assets and balance to be applied to such prepayment; (b) proceeds from sale, transfer, disposal of movable and immovable assets of ReNew Wind Energy (Budh 3) valuing Rs.10 million or above per annum, whether in aggregate in a fiscal year or individually; (c) any contractual damages/liquidated damages/penalties paid under any of the project documents to the extent permitted under the Common Loan Agreement or to pay for the completion of the work under the project document which was not completed on account of circumstances specified under the Common Loan Agreement; (d) any proceeds resulting from an arbitral or judicial award in connection with any of the project documents; (e) any proceeds in connection with a breach of guarantee or warranty under any project document to the extent permitted under the Common Loan Agreement; (f) any proceeds arising from the compulsory expropriation, nationalization, seizure or other similar event with respect to any part of the Ladha Project; (g) proceeds infused into ReNew Wind Energy (Budh 3) by the promoter and sponsor under the Common Loan Agreement to ensure maintenance of a minimum DCSR of 1.20.

• Default/Penal Interest:

In case of default in payment of any repayment instalments or the payment of any interest and other monies becoming due under the Common Loan Agreement, ReNew Wind Energy (Budh 3) shall pay to the Lender liquidated damages at the rate of 2.00% per annum on the defaulted amounts over and above the applicable interest rate on the defaulted amounts.

Wadgera and Nirna projects

Facilities of Rs.2,041.56 million from YES Bank Limited

ReNew Wind Energy (Budh 3) entered into a common loan agreement dated January 23, 2018 with YES Bank Limited as the lender (the "Lender") and lender's agent, and Axis Trustee Services Limited as the security trustee (the "Common Loan Agreement") for facilities aggregating to a maximum of Rs.2,041.56 million ("Facility") (which includes a sub limit for letter of credit aggregating to Rs.1,531.17 million and a sub limit for letter of undertaking aggregating to Rs.1,531.17 million) in relation to setting up a 40 MW solar power project ("Project") divided into the following: (a) 20 MW solar power project at Village Wadgera, District Yadgir, Karnataka; and (b) 20 MW solar power project at Village Nirna, District Bidar, Karnataka. The interest rate on the Facility as on December 31, 2018 was 11% per annum. ReNew Wind Energy (Budh 3) is required to repay the loan in 66 quarterly instalments starting from March 31, 2019 and ending on June 30, 2035. For details in relation to the repayment schedule under the Common Loan Agreement, see "*Appendix C*". As of December 31, 2018, the amount outstanding (fund-based) pursuant to the Common Loan Agreement was Rs.639 million.

Certain other terms and conditions of the Facility are:

• Security

The Lender has security over *inter alia* the following assets: (a) mortgage on immovable assets of the Project; (b) charge on movable fixed assets, current assets, tangibles and accounts of the Project; (c) pledge of 51% of the equity shares, 51% other preference shares and 51% of the CCDs of ReNew Wind Energy (Budh 3); (d) assignment of all project documents, documentary credit application and documents, letter of credit, guarantee, performance bond, liquidated damages relating to the Project; (e) insurance contracts naming the security trustee as an additional insured/sole loss payee relating to the Project; and (f) corporate guarantee of sponsor until project stabilization date. Security except the pledge of shares will rank *pari passu* with the security interest for the benefit of the: (i) lenders providing working capital facility (for an amount of Rs.65 million to be availed by ReNew Wind Energy (Budh 3) for the Project); and (ii) for the benefit of the lenders of the hedging facility up to 10% of the notional value of the hedging facility. The pledge will rank *pari passu* with the hedge providers up to the limit specified above.

ReNew Power Limited has provided a corporate guarantee till project stabilization date (1 year after commercial operation date, 90% of base case plant load factor achieved for 12 months, stable billing cycle – 3 consecutive payments within 30 days and security creation and perfection) or the date on which secured obligations are paid and discharged.

- Financial Covenants:

  ReNew Wind Energy (Budh 3) is required to maintain the following financial covenants:

  (a) Debt to equity ratio should not exceed 3:1

  (b) DSCR: equal to or greater than 1.2

  (c) Ratio of adjusted debt to tangible net worth: less than or equal to 3.0

  (d) FACR: equal to or greater than 1.20

- Other Covenants:

ReNew Wind Energy (Budh 3) has customary representations and has also agreed to negative covenants which include, *inter alia*, obtaining prior written consent of the Lender for: (a) undertaking any merger, consolidation, reorganization, takeover, amalgamation, compromise or similar arrangements, or sell, lease, transfer or otherwise dispose of any assets except as provided under the Common Loan Agreement; (b) acquiring all or part of the assets of any other person or any class of shares or debentures or partnership interest or similar interest of any person except with the prior permission in writing of the lender's agent; (c) making any investment by way of deposits, loans, bonds, share capital, or in any other form except as provided under the Common Loan Agreement; (d) registering transfer of shares made/to be made except as permitted; (e) creating any security interest on or in any secured property or any other property or assets or rights or claims except with prior permission in writing from the Lender; (f) creating any subsidiaries, change its business activities; (g) undertaking any new project or expansion of existing project or make any investments without prior approval, except as provided under the Common Loan Agreement; (h) prepaying any facility or debt without prior permission from the lender's agent; (i) paying any commission to its promoter, directors, managers or other persons for furnishing guarantees or indemnity or for undertaking any liability in connection with any financial assistance obtained by it or any other obligation undertaken by ReNew Wind Energy (Budh 3) for the purpose of the Project; (j) issuing equity or preferential capital, any security convertible into or exchangeable for its equity or preference capital, or any rights/option to subscribe/purchase relating to its equity or preference capital except as permitted under the financing documents, and shall not issuing any shares other than fully paid shares; (k) altering its capital structure which may lead to an increase in the debt to equity ratio beyond permissible limits in terms of the Common Loan Agreement; (l) undertaking guarantee obligations or issue letters of comfort on behalf of any other company, firm or person, or undertake any monetary or legal obligation on behalf of any of its group companies, without the prior approval of the lender's agent; (m) winding up, liquidating or dissolving its affairs, purchasing or otherwise acquiring any part of property or asset of any person, except as provided under the Common Loan Agreement; (n) repaying/redeeming any equity capital/preference capital/mezzanine capital or unsecured debt during the tenure of the facilities, or repaying loans and deposits and discharging other liabilities except as provided under the Common Loan Agreement; (o) entering into borrowing agreement or create, or incur any indebtedness except as provided under the Common Loan Agreement; (p) entering into any partnership, profit sharing or royalty agreement or other similar agreement where income may be shared, or entering into any management contract or similar arrangement whereby business or operations of ReNew Wind Energy (Budh 3) are managed by any other persons; (q) inducting a person in any capacity who is a director of an entity identified as wilful defaulter; (r) making any capital expenditure other than as permitted under the Common Loan Agreement; (s) making any restricted payments except as permitted under the trust and retention account agreement only after the satisfaction of the conditions mentioned in the Common Loan Agreement; (t) carry out any amendments or alterations to the memorandum and articles of association which would be detrimental to the interest of the Lender and inconsistent with undertaking the Project, or with any of the transaction documents; and (u) open and establish any account in relation to the Project.

- Events of Default:

Events of default by ReNew Wind Energy (Budh 3) include, *inter alia,* the following events:

(i) default in payment of any repayment instalment within 3 business days from the due date; (ii) default in payment of any interest, or commission payable under the financing documents within 3 business days from the due date; (iii) failure by any promoter or pledgor of any amount owing under any financing document; (iv) event of default or refusal of disbursement/cancellation under any agreement on account of non-compliance with the terms of any financial assistance relating to any indebtedness of ReNew Wind Energy (Budh 3); (v) default in performance of covenant, condition, warranties or provisions of the Common Loan Agreement or any other transaction document; (vi) ReNew Wind Energy (Budh 3) becoming subject of proceedings under any bankruptcy or insolvency law or is voluntarily dissolved; (vii) any receiver, trustee, custodian, liquidator or other similar officer has been appointed in relation to ReNew Wind Energy (Budh 3) or promoter or any of their assets; (viii) any notice for an event of default has been issued in relation to any transaction document and is not waived or repudiated or ceases to be in full force or becomes illegal, invalid or unenforceable; (ix) any litigation, arbitration or administrative proceedings or claim before court, tribunal, or others exceeding Rs.50 million which is expected to have a material adverse effect is commenced against ReNew Wind Energy (Budh 3), or one or more judgements or decrees against ReNew Wind Energy (Budh 3) and the same is not vacated, discharged or stayed; (x) taking the following actions without the prior written approval of the lender's agent: (a) any reorganization including change in its ownership structure; (b) dilution of the shareholding of the promoter in the borrower falling below 51%; (c) dilution of the shareholding of the sponsor in the promoter falling below 51%; and (xi) failure to achieve commercial operation date, on or before scheduled commercial operation date or other extended period allowed by the lender's agent.

- Voluntary Prepayment:

ReNew Wind Energy (Budh 3) has the option to prepay the facilities in full or in part under the Common Loan Agreement upon giving 30 days' notice to the Lender along with the payment of prepayment premium at the rate of 1% plus applicable taxes of the principal amount prepaid.

Prepayment without prepayment premium can be made, in the following circumstances: (a) if the repayment is effected at the instance of the Lender; (b) if prepayment is effected within 90 days from a reset date by giving a notice of 30 days from such reset date; (c) if prepayment is pursuant to mandatory prepayment as provided under the Common Loan Agreement; (d) if prepayment is made from the internal accruals or out of promoter's sources; (e) if prepayment is effected pursuant to cash sweep; (f) if prepayment is made pursuant to non-acceptance by ReNew Wind Energy (Budh 3) of the requirement to furnish additional security under the Common Loan Agreement; (g) if the credit worthiness of borrower and/or any security deteriorates in the sole opinion of the Lender and/or the credit rating of the facilities is downgraded by the credit rating agency and the same entitled the Lender to take an action as per the Common Loan Agreement; and (h) if prepayment is made out of takeout financing through bonds/NCDs from the India Infrastructure Finance Company Limited as provided under the Common Loan Agreement.

- Mandatory Prepayment:

ReNew Wind Energy (Budh 3) is required to mandatorily prepay the facilities in full or in part (along with interest and other charges) without prepayment premium out of the following: (a) any insurance proceeds valuing Rs.5 million or above per annum provided such proceeds are first used for reinstating the damaged assets and balance to be applied to such prepayment; (b) proceeds from sale, transfer, disposal of movable and immovable assets of ReNew Wind Energy (Budh 3) valuing Rs.10 million or above per annum, whether in aggregate in a fiscal year or individually; (c) any contractual damages/liquidated damages/penalties paid under any of the project documents to the extent permitted under the Common Loan Agreement or to pay for the completion of the work under the project document which was not completed on account of circumstances specified under the Common Loan Agreement; (d) any proceeds resulting from an arbitral or judicial award in connection with any of the project documents; (e) any proceeds in connection with a breach of guarantee or warranty under any project document to the extent permitted under the Common Loan Agreement; (f) any proceeds arising from the compulsory expropriation, nationalization, seizure or other similar event with respect to any part of the Project; (g) proceeds infused into ReNew Wind Energy (Budh 3) by the promoter and sponsor under the Common Loan Agreement to ensure maintenance of a minimum DCSR of 1.20.

- Default/Penal Interest:

In case of default in payment of any repayment instalments or the payment of any interest and other monies becoming due under the Common Loan Agreement, ReNew Wind Energy (Budh 3) shall pay to the Lender liquidated damages at the rate of 2.00% per annum on the defaulted amounts over and above the applicable interest rate on the defaulted amounts.

Kanak Renewables Limited and Rajat Renewables Limited

Kushtagi and SREI Projects

Facilities of Rs.5,577.20 million from YES Bank Limited

Kanak Renewables Limited ("Kanak Renewables") and Rajat Renewables Limited ("Rajat Renewables") (Kanak Renewables and Rajat Renewables collectively the "Borrowers") entered into a facility agreement dated August 17, 2018 with YES Bank Limited as the lender (the "Lender"), issuing bank and lender's agent (the "Common Loan Agreement") for the following facilities aggregating to Rs.5,577.20 million:

Facilities made available to Kanak Renewables under the Common Loan Agreement:

(a) rupee facility aggregating to a maximum of Rs.1,752.50 million ("Kanak Facility 1") (which includes a sub limit for letter of credit aggregating to Rs.1,278.40 million and a sub limit for letter of credit facility bill discounting facilities aggregating to Rs.1,278.40 million);

(b) rupee facility aggregating to a maximum of Rs.584.10 million ("Kanak Facility 2") (which includes a sub limit for letter of credit aggregating to Rs.584.10 million and a sub limit for letter of credit facility bill discounting facilities aggregating to Rs.584.10 million); and

(c) rupee facility aggregating to a maximum of Rs.2,284.50 million ("Kanak Facility 3").

(Kanak Facility 1, Kanak Facility 2 and Kanak Facility 3 collectively the "Kanak Facilities")

Facilities made available to Rajat Renewables under the Common Loan Agreement:

(a) rupee facility aggregating to a maximum of Rs.650.20 million ("Rajat Facility 1") (which includes a sub limit for letter of credit aggregating to Rs.650.20 million and a sub limit for letter of credit facility bill discounting facilities aggregating to Rs.650.20 million); and

(b) rupee facility aggregating to a maximum of Rs.305.90 million ("Rajat Facility 2") (which includes a sub limit for letter of credit aggregating to Rs.305.90 million and a sub limit for letter of credit facility bill discounting facilities aggregating to Rs.305.90 million).

(Rajat Facility 1 and Rajat Facility 2 collectively the "Rajat Facilities") (Rajat Facilities and the Kanak Facilities collectively the "Facilities")

The purpose of availing the Facilities was to finance the cost of development of the 71.4 MW wind power project developed by Kanak Renewables and Rajat Renewables at Kushtagi, Karnataka ("Project 1"), part financing of the cost of acquisition of the 60 MW wind power project operated by Kanak Renewables at Jaisalmer, Rajasthan ("Project 2"), procurement of goods, raw materials, machinery and services, discounting of certain letters of credit, as well as reimbursement of the funds brought in by the sponsors for Project 1 and Project 2. The interest rate on the Facilities as on December 31, 2018 was: (a) 10.75% per annum for Kanak Facility 1 and Rajat Facility 1; (b) 11.05% per annum for Kanak Facility 2 and Rajat Facility 2; and (c) 10.85% per annum for Kanak Facility 3. The Borrowers are required to repay (a) Kanak Facility 1 and Rajat Facility 1 (other than the letter of credit facilities, the letter of credit bill discounting facilities and the Kanak Facility 3) in 60 quarterly instalments starting from June 30, 2019 and ending on March 31, 2034; (b) Kanak Facility 2 and Rajat Facility 2 (other than the letter of credit facilities, the letter of credit bill discounting facilities and the Kanak Facility 3) in 68 quarterly instalments starting from June 30, 2019 and ending on March 31, 2036; and (c) Kanak Facility 3 in 63 quarterly instalments starting from September 30, 2018 and ending on March 31, 2034. For details in relation to the repayment schedule under the Common Loan Agreement, see "*Appendix C*". As of December 31, 2018, the amount outstanding (fund-based) pursuant to the Common Loan Agreement was Rs.2,777 million.

Certain other terms and conditions of the Facility are:

- Security:

The Lender has security over *inter alia* the following: (a) mortgage over the immovable assets pertaining to Project 1 and Project 2; (b) charge over movable fixed assets, current assets, tangibles, intangibles and accounts of Borrowers in relation to Project 1 and Project 2; (c) Pledge of 51% of the equity shares and 51% of the preference shares of Kanak Renewables and Rajat Renewables; (d) charge and assignment of all project documents (including insurance contracts), clearances and approvals, letters of credit, guarantee, liquidated damages, performance bonds in relation to Project 1 and Project 2 both present and future; and (e) Endorsement of insurance contracts in favour of the security trustee naming the security trustee or the Lender as loss payee. Security over the power purchase agreement for each project secure only the obligations under the facility(ies) provided for that project. Security except the pledge of shares will rank *pari passu* with the security interest for the benefit of the lenders of the cash credit facilities availed/to be availed by Kanak Renewables and Rajat Renewables. The Lender also has the benefit of the following: (a) Demand promissory notes and letters of continuity from each Borrower; and (b) Letters of lien in favour of the Lender over balances (accounts, securities, book debts) held with the Lender by each Borrower.

- Financial Covenants:

The Borrowers are required to maintain the following financial covenants:

In respect of the Loan pertaining to Project 1:

(a) Debt to equity ratio should not be greater than 4:1

(b) DSCR: not less than 1.20

(c) FACR: not less than 1.10

In respect of the Loan pertaining to Project 2:

(a) DSCR: not less than 1.20

- Other Covenants:

The Borrowers have customary representations and have also agreed to negative covenants which include, *inter alia*, obtaining prior written consent of the Lender for: (a) undertaking any merger, consolidation, reorganization, takeover, amalgamation, compromise or similar arrangements; (b) selling, leasing, transferring or otherwise disposing of any assets except as provided under the Common Loan Agreement; (c) acquiring all or part of the assets of any other person or any class of shares or debentures or partnership interest or similar interest of any person except as provided under the Common Loan Agreement; (d) making any investment by way of deposits, loans, bonds, share capital, or in any other form except as provided under the Common Loan Agreement; (e) transferring shares or permit any change in shareholding; (f) wind up, liquidate or dissolve their affairs; (g) changing their management set-up; and (h) amending the approved construction budget, the project implementation schedule, financing base case, financing plan and/or annual budget. The Borrowers have also agreed not to, *inter alia*: (a) create any security interest on or in any secured property except as permitted under the Common Loan Agreement; (b) pay any commission to its promoter, directors, managers or other persons for furnishing guarantees or indemnity or for undertaking any liability in connection with any financial assistance obtained by it or any other obligation obtained by the Borrowers; (c) carry out any modifications, amendments, or alterations to the project documents; (d) undertake guarantee obligations on behalf of any person or issue any guarantee or letter of credit or provide any security or otherwise become liable for any financial obligation of any other person; (e) amending or modifying the articles of association or memorandum of association which will adversely affect the rights of the secured parties in respect of the facilities; and (f) enter into any indebtedness except as permitted under the Common Loan Agreement.

- Events of Default:

Events of default by the Borrowers include, *inter alia,* the following events: (i) default in payment of any amount due under the financing documents on the respective due dates; (ii) failure by any promoter or pledgor of any amount owing under any financing document; (iii) cross default on any of financial indebtedness of the Borrowers; (iv) failure in complying with any provision or breach of obligations under the financing documents; (v) failure to create, perfect or maintain security as required under the Common Loan Agreement; (vi) any of the Borrowers becoming subject of proceedings under any bankruptcy, insolvency, winding-up or other similar law; (vii) change in control of any of the Borrowers without the prior written approval of the Lender; (viii) the Borrowers becoming subject to legal proceedings which, if successful would restrain the developments of the Projects as agreed; and (ix) non-maintenance of the debt service reserve amount in accordance with the terms of the financing documents.

- Voluntary Prepayment:

The Borrowers have the option to prepay the facilities in full or in part (along with the costs, interest and other charges payable) under the Common Loan Agreement upon giving at least 15 days' notice to the lender's agent along with the payment of prepayment premium at the rate of 1% of the principal amount prepaid.

Prepayment without prepayment premium can be made, *inter alia,* in the following circumstances: (a) if the repayment is effected pursuant to the written instructions of the Lender; (b) if prepayment is made out of the surplus cash accruals of the Borrowers; (c) if prepayment is pursuant to mandatory prepayment as provided under the Common Loan Agreement; (d) if prepayment is made pursuant to take-out financing availed from India Infrastructure Finance Company Limited; (e) if prepayment is made out of the sponsor prepayment amount infused in the Borrowers; (f) if prepayment is made by the Borrowers within 60 days of the base reset date, the spread reset date, change in the applicable interest rate or any other day on which additional security is stipulated by the Lender subject to a prior notice of 15 business days; and (g) if the DSCR exceeds 1.35 and the Lender decides to utilize the surplus cash flow for mandatorily prepaying the Facilities.

- Mandatory Prepayment:

The Borrowers are required to mandatorily prepay the facilities in full or in part without prepayment premium out of, *inter alia,* the following: (a) any contractual damages arising under the project documents to the extent not applied to pay penalties under such project documents; (b) any proceeds arising in connection with a breach of warranty or guarantee under any project document except as provided under the Common Loan Agreement; (c) any insurance proceeds valuing Rs.5 million or above per annum except as provided under the Common Loan Agreement; (d) any insurance proceeds received by the security trustee in respect of any claim arising under any insurance contract; and (e) proceeds arising from the compulsory expropriation, nationalization, seizure or other similar event with respect to any part of the Project.

- Default/Penal interest:

In case of default in payment of any repayment instalments or the payment of any interest and other monies becoming due under the Common Loan Agreement, the Borrowers shall pay to the Lender liquidated damages at the rate of 2.00% per annum on the defaulted amounts over and above the applicable interest rate.

Indebtedness of the Parent Guarantor

Facility of Rs.1,500 million from Hero FinCorp Limited

The Parent Guarantor entered into a master facilities agreement dated March 28, 2018 with Hero FinCorp Limited (the "Lender") (the "Master Facilities Agreement") for a loan aggregating to Rs.1,500 million ("Loan") for the purpose of partly financing the working capital requirements of the Parent Guarantor and to bridge the gap of funds in relation to setting-up/completion of the renewable energy projects being implemented by the Parent Guarantor or its project SPVs. Pursuant to the Master Facilities Agreement, the Lender and the Parent Guarantor entered into a supplementary agreement dated March 28, 2018 ("Supplementary Agreement") in relation to disbursement of Rs.1,000 million out of the Loan amount ("Disbursed Amount"). The interest rate on the Loan as on December 31, 2018 was 11.50% per annum. The Parent Guarantor is required to repay the loan as a bullet repayment within a period of 1 year. As of December 31, 2018 the amount outstanding in respect of the Loan was Rs.1,000 million.

Certain other terms and conditions of the Loan are:

- Security:

The Loan is secured by: (a) first *pari passu* charge by way of hypothecation on the present and future movable assets of the Parent Guarantor, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture, fixtures and all other movable properties of whatsoever nature; and (ii) first *pari passu* charge on the present and future book debts, operating cash flows, receivables, commissions, revenues, any other current assets of whatsoever nature, intangibles and goodwill; and (iii) a demand promissory note for the entire facility amount to be executed under the common seal along with a letter of continuity for the same. The security for the Loan excludes all the project assets charged to the project lenders for the projects implemented by the Parent Guarantor and its SPV.

- Financial Covenants:

As per the sanction letter dated March 26, 2018, the Parent Guarantor is required to maintain the following financial covenants: (a) the standalone net debt to tangible net worth should not be more than 4; (b) the overall consolidated funded debt to tangible net worth should not be more than 4; (c) the standalone funded debt to consolidated EBIDTA should not be more than 4.33; and (d) consolidated funded debt to consolidated EBIDTA should not be more than 7.

- Other Covenants:

The Parent Guarantor has made customary representations and warranties to the Lender and has agreed to deliver standard information, including change of shareholding of the Parent Guarantor, board of directors, or any scheme of amalgamation, reconstitution or expansion. The Parent Guarantor has also agreed to negative covenants which include, *inter alia*, to: (i) not avail of any loan or facility in any manner whatsoever without the intimation to the Lender; (ii) not part with the possession of or create third party rights in the securities created in respect of the Loan or any part of it; (iii) not stand surety or guarantor for any third party liability or obligation without the prior written approval of the Lender; (iv) not create any further charge, lien or encumbrance on the properties without the prior written approval of the Lender; and (v) not sell assign, mortgage or otherwise dispose of any of the fixed assets charged without intimation to the Lender.

- Events of Default:

Events of default by the Parent Guarantor include, *inter alia*, the following events: (i) non-payment of monthly instalments or any other dues under the facilities extended under the Master Facilities Agreement; (ii) breach of obligations under the documents relating to the Loan; (iii) default under any facility obtained by the Parent Guarantor; (iv) initiation of winding up or corporate insolvency resolution process as specified in the Master Facilities Agreement; (v) interest of the Lender in the security ceasing to be valid and effective. Upon occurrence of an event of default, the Lender is entitled to accelerate the payment obligations and declare the outstanding obligations as immediately payable.

- Prepayment:

The Parent Guarantor has the option to prepay the Loan without any prepayment charges.

- Default/Penal Interest:

In the event of default in the payment of amounts due under the Loan, the Lender shall have the right to charge penal interest at the rate of 1.00% per annum on the outstanding amounts.

Facility of Rs.1,430 million from Coöperatieve Rabobank U.A.

The Parent Guarantor has entered into a rupee loan agreement dated December 21, 2017 ("Facility Agreement") with Coöperatieve Rabobank U.A., Mumbai Branch ("Rabobank") as lender and as facility agent ("Agent"), for rupee loan facility of Rs.1,430 million ("Facility"). The interest rate on the Facility as on December 31, 2018 was 10.05% per annum. The purpose of availing the loan was to finance the construction and operation of a 26 MW wind plant ("Project"). The Parent Guarantor is required to repay the loan in 15 quarterly instalments starting from June 30, 2018 and ending on December 31, 2021. As of December 31, 2018, the amount outstanding pursuant to the rupee loan agreement was Rs.1399.97 million.

Certain other terms and conditions of the Facility are:

- Security

The loan is secured, *inter alia*, on a first ranking basis in respect of the following: (a) mortgage and charge on the entire immovable properties pertaining to the Project; (b) charge by way of hypothecation on the entire movable properties relating to the Project; (c) charge on the entire cash flows, receivables, book debts and revenues pertaining to the Project; (d) charge on the entire intangible assets relating to the Project; (e) charge by way of hypothecation/mortgage/assignment of all the rights, title, interest, benefits, claims and demands pertaining to the Project; (f) charge on the trust and retention accounts and any other reserves and bank accounts pertaining to the Project; and (g) charge by way of hypothecation over insurance policies related to the Project. The security will rank *pari passu* by way of first charge in favour of the secured parties with no preference or priority amongst them.

- Financial covenants

The Parent Guarantor is required to maintain the following financial covenants: (a) the standalone net debt to tangible net worth should not be more than 3; (b) the overall consolidated funded debt to tangible net worth should not be more than 3; (c) the standalone funded debt to consolidated EBIDTA should not be more than 3.33; and (d) the consolidated funded debt to consolidated EBIDTA should not be more than 6.

- Other covenants

The Parent Guarantor has made customary representations and warranties and has agreed to certain negative covenants, *inter alia*, to not: (i) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction; (ii) enter into any partnership, joining venture arrangement or other type of arrangement under which its revenue or profit may be pooled with that of any other person; (iii) enter into a single or series of transactions to sell, lease, sub-lease, transfer, discount, factor, assign or otherwise dispose of all or any part of project assets or the Parent Guarantors rights under the transaction documents except with the prior written consent of Rabobank; (iv) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Parent Guarantor or any major project party except as stated in the Facility Agreement; (v) sell, transfer or otherwise dispose of any of its revenues on recourse terms except as stated in the Facility Agreement; (vi) enter into any other preferential arrangement having a similar effect in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset except as stated in the facility agreement; (vii) amend or vary any of its memorandum and articles of association which has or is reasonably likely to have a material adverse effect otherwise in accordance with the Facility Agreement; (viii) suspend, abandon or cancel the development, operations or maintenance of all or any part of the Project; (ix) undertake any diversification, modernisation or expansion of the Project without prior written consent of the Agent; (x) wind up, liquidate or dissolve their affairs; and (xi) undertake any transaction of merger, consolidation, re-organisation, scheme of arrangement, compromise with any of its creditors or shareholders, unless the effectiveness of any scheme or arrangement or agreement of merger, or consolidation, reorganisation or comprise with any of its creditors or shareholders is made subject to the written consent of Rabobank.

- Events of default

Events of default by the Parent Guarantor include, *inter alia*, the following events: (a) default in the payment of any amount payable under any financing document unless its failure to pay is caused by administrative or technical error or a disruption event, and payment is made within 3 business days of the original due date; (b) breach of key obligations identified under the Facility Agreement; (c) any representation or statement made or deemed to be made by the Parent Guarantor in any finance document or any other document delivered by or on behalf of any Parent Guarantor under or in connection with any finance document is, or proves to have been, incorrect or misleading in any material respect when made or deemed to be made save as provided in the Facility Agreement; (d) a cross-default; (e) insolvency and insolvency proceedings as specified in the Facility Agreement; and (f) cessation of business.

- Voluntary Prepayment

(a) The Parent Guarantor may, by providing the Agent 20 business days' notice (or such shorter period as agreed by Rabobank) at any time after the Project completion, prepay the whole or any part of any loan.

(b) Any prepayment of part of any loan must be a minimum amount of Rs.200 million and an integral multiple of Rs.50 million.

(c) Any prepayment shall be applied: (i) in reducing each outstanding instalment under the facility in inverse order of maturity; (ii) pro rata among the lenders in proportion to their participation in the relevant loans, and will be paid on an interest reset date.

- Mandatory Prepayment

The Parent Guarantor is required to mandatorily prepay, *inter alia,* in the event following receipt or payment of any insurance proceeds or compensation proceeds or sale proceeds, except as provided in the Facility Agreement. The Parent Guarantor shall not be required to prepay any loans outstanding following receipt or payment of insurance proceeds or compensation proceeds or sale proceeds if: (a) the Parent Guarantor and Rabobank mutually agree that: (i) the relevant insurance proceeds are to be applied in the repair or reinstatement of project assets; (ii) the relevant insurance proceeds are paid in respect of business interruption insurance and/or delay in start-up insurance; and (iii) in the case of performance liquidated damages or delay liquidated damages, such compensation proceeds are required to be applied in remedying the matter to which the payment of such compensation proceeds relates; and (b) the compensation proceeds received by the Parent Guarantor are less than Rs.3 million and sale proceeds are less than Rs.1 million.

- Default Interest

Upon the occurrence of an event of default interest shall accrue on the outstanding loans from the date of occurrence of the event of default up to the date of cure at a rate which is 2% per annum over the lending rate ("**Default Interest**"). Any Default Interest accruing shall be immediately payable by the Parent Guarantor on demand by Rabobank.

Facility of Rs.4,750 million from Kotak Mahindra Bank Limited

The Parent Guarantor entered into a master facility agreement dated April 24, 2018 with Kotak Mahindra Bank Limited (the "Lender") (the "Master Facility Agreement") for fund-based and non-fund based facilities aggregating to Rs.5,000 million. Subsequently, pursuant to the sanction letter dated December 19, 2017, the Lender and the Parent Guarantor entered into a supplemental agreement dated January 8, 2018 ("Supplemental Agreement") in relation to: (a) sanction of the bill purchase discounting facility of Rs.500 million; (b) enhancement of the short term loan facility under the Master Facility Agreement from Rs.1,000 million to Rs.2,000 million; and (c) reducing the overall limits under the Master Facility Agreement from Rs.5,000 million to Rs.4,750 million.

The fund-based facilities under the Master Facility Agreement currently comprises of a short-term loan of Rs.2,000 million for a tenure of 180 days (sanctioned *vide* the sanction letter dated December 19, 2017) ("Loan"). The Loan was availed for purchasing plant and machinery/capital goods/services ancillary to the project.

The interest rate on the Loan as on December 31, 2018 was 10.15% per annum. The Parent Guarantor is required to repay the Loan as a bullet repayment at the end of the tenor. As of December 31, 2018 the amount outstanding (fund-based) in respect of the Loan was Rs.2,000 million.

Certain other terms and conditions of the Loan are:

- Security:

The Loan is secured by: (a) fixed *pari passu* hypothecation charge on all existing and future current assets and movable fixed assets of the Parent Guarantor except for the assets specifically charged to the project term lenders; and (b) corporate guarantee of the Parent Guarantor for limits availed by the respective special purpose vehicle.

The Loan is additionally secured by: (a) first and exclusive charge on assets of the SPV to be financed by the Loan; and (b) pledge of 30% shares of the Parent Guarantor in its special purpose vehicle.

- Financial Covenants:

As per the sanction letter dated March 26, 2018, the Parent Guarantor is required to maintain the following financial covenants: (a) the standalone net debt to tangible net worth ratio not more than 4; (b) the overall consolidated funded debt to tangible net worth not more than 4; (c) the standalone funded debt to consolidated EBIDTA ratio not more than 4.33; and (d) the consolidated funded debt to consolidated EBIDTA ratio not more than 7.

- Other Covenants:

The Parent Guarantor has made customary representations and warranties to the Lender. The Parent Guarantor has also agreed to negative covenants which include, *inter alia*, to: (i) not guarantee or pay or pay or provide any collateral for obligations of others unless specifically permitted by the Lender; (ii) not borrow any moneys from any other bank without the prior consent of the Lender, unless permitted under the Master Facility Agreement; (iii) not change the shareholding or constitution of the management without the prior consent of the Lender; (iv) not dispose of assets or compromise with any of its creditors without the prior consent of the Lender; (v) the net working capital of the Parent Guarantor does not fall below the minimum amounts as stipulated from time to time; (vi) not to transfer funds/assets to any group or associate company or concern; (vii) pay any commission to its promoter, directors, managers or other persons for furnishing guarantees or indemnity or for undertaking any liability during the currency of the Loan; (viii) not invest any of its funds in the shares, debentures, deposits or other investments without the prior written permission of the Lender; effect any scheme of amalgamation or reconstruction; and (ix) not make or file any application or initiate any proceedings under the Insolvency or Bankruptcy Code, 2016 without first discharging its indebtedness to the Lender.

- Events of Default:

Events of default by the Parent Guarantor include, *inter alia*, the following events: (i) non-payment of amounts due under the facilities extended under the Master Facility Agreement; (ii) breach of obligations under the documents relating to the Loan; (iii) inability to pay debts, the Parent Guarantor being declared as a sick company, or occurrence of event/condition constituting a material adverse effect; (iv) initiation of winding up or corporate insolvency resolution process as specified in the Master Facility Agreement; (v) attachment of lien against the security in the Loan; (vi) event of default under any agreement entered into by the Parent Guarantor; and (vii) acceleration of repayment under any other credit, borrowal or other arrangement. Upon occurrence of an event of default, the Lender is entitled to declare the amounts under the Master Facility Agreement to be immediately due and payable.

- Prepayment:

The Parent Guarantor cannot without the prior written approval of the Lender prepay the outstanding principal amount together with the interest. For prepayment, the Parent Guarantor is required to give 30 days' prior notice of its intention to prepay, subject to the Parent Guarantor agreeing to pay prepayment charge of 1% per annum on the prepaid loan amount.

- Default/Penal Interest:

In the event of default in the payment of amounts due under the Loan, the Lender shall have the right to charge penal interest at the rate of 2% per month on the outstanding amounts.

Facility of Rs.3,300 million from RBL Bank Limited

The Parent Guarantor has entered into a term loan agreement ("Facility Agreement") with RBL Bank Limited ("RBL") as lender in relation to general corporate purposes of the Parent Guarantor, for a term loan facility of Rs.3,300 million ("Facility"). The interest on the loan as on December 31, 2018 was 10.15% per annum. The Parent Guarantor is required to repay the loan as a bullet repayment up to 12 months. As of December 31, 2018, the amount outstanding (fund-based) pursuant to the term loan agreement was Rs.1,000 million.

Certain other terms and conditions of the Facility are:

- <u>Security</u>

The Facility is secured by first pari passu charge by way of hypothecation on all current and movable fixed assets of the Parent Guarantor excluding project assets related to any wind power/other power project exclusively to project lenders.

- <u>Financial covenants</u>

The Parent Guarantor is required to maintain the following financial covenants: (a) net debt to EBIDTA should not be more than 7.50 times from financial year 2018 onwards; and (b) total debt to tangible net worth ratio should not be more than 3 times from financial year 2018 onwards.

- <u>Other Covenants</u>

The Parent Guarantor has made customary representations and warranties and has agreed to certain negative covenants where the Parent Guarantor shall not without the prior written consent of RBL, *inter alia*: (i) create any charge, mortgage, pledge, hypothecation, lien, or other encumbrance over the security on favour of any person other than RBL; (ii) permit any change in its constitution or management or change in the Parent Guarantor's capital structure including proposed equity and debt patterns; (iii) create, assume or incur any further indebtedness of a long term nature whether for borrowed money or otherwise, or undertake any guarantee obligation on behalf of any other company (including group companies); (iv) induct or continue with a person as a director or promoter or partner of the Parent Guarantor who is a promoter or director or partner on the board of a company which has been identified as a wilful defaulter as per the RBI guidelines issued from time to time, and that in case such a person is found to be on the board of the Parent Guarantor, the Parent Guarantor will take expeditious and effective steps for removal of the person from its board; (v) declare any dividend if any instalment towards principal or Interest remains unpaid on its Due Date; (vi) carry out change of business or declare or pay any dividends on any of the equity/preference shares; (vii) pay any consideration whether by way of commission, brokerage, fees or in any other form to the guarantors for giving their personal/corporate guarantee; (viii) undertake or permit any reorganisation, amalgamation, reconstruction, takeover or any other schemes of compromise or arrangement, nor amend any provision of its major constitutive documents in such a manner that will affect RBL's rights under the Facility; (ix) monies brought in by the promoters/directors/associate companies as loans/share application money pending allotment shall be sub-ordinated to the loans of RBL, and shall not be repaid during the currency of the Facility by RBL, and may carry such interest as approved by RBL; (x) invest by way of share capital in or lend or advance funds to place deposits with any other concerns, except in the normal course of business or as advances to employees; (xi) grant loans to promoters/associates and other companies; and (xii) make any repayment of the loans and deposits and discharge other liabilities except those shown in the funds flow statement submitted from time to time.

- <u>Events of default</u>

Events of default by the Parent Guarantor include, *inter alia*, the following events: (i) default in payment by the Parent Guarantor of any or all principal, Interest, commission, service charges, expenses or any other monies due and payable under the Facility Agreement, on demand by RBL; (ii) any representation or information given by the Parent Guarantor in terms of the Facility Agreement, the transaction documents or as may be called upon by RBL and any representations or statements, made or deemed to be made, or any undertaking(s) given by the Parent Guarantor are found to be misleading, incorrect or false, materially affecting the continuation of the Facility or the Parent Guarantor commits or threatens to commit any breach or repudiates or threatens to repudiate or there is default in performance of any other covenant, condition or stipulation on the part of the Parent Guarantor under the Facility Agreement or any transaction documents; (iii) a cross-default; and (iv) non-creation of securities within the specified period.

- Repayment/Prepayment

  (a) The dues may, if repayment is not demanded earlier by RBL as mentioned in the terms of the Facility Agreement, be repaid by the Parent Guarantor to RBL by the due date.

  (b) All sums payable by the Parent Guarantor under the Facility Agreement shall be paid free of any restriction or condition and free and clear of and without any counter claim, set off, deduction or withholding, whether on account of tax or otherwise.

  (c) RBL may, in its sole discretion and on such terms as to pre-payment fees, etc., permit pre-payment/acceleration of equated monthly instalments (EMIs) or pre-payment at the request of the Parent Guarantor, subject that RBL may specify the minimum amount of prepayment/amounts payable on account of acceleration of EMIs.

  (d) In the event RBL permits any pre-payment, the repayment schedule may be altered by RBL at the request of the Parent Guarantor and the Parent Guarantor agrees to adhere to the altered re-payment schedule.

- Default Interest

On occurrence of any event of default including but not limited to delay or failure of the Parent Guarantor to pay any amount on the due date, RBL reserves the right to impose additional interest from the due date up to and including the date of actual payment. Such obligation to pay the additional/default interest shall arise without the need for any notice thereof or demand therefore. The payment of any additional/default interest shall not entitle the Parent Guarantor to delay the payments towards the said dues. Additional interest would be charged on non-creation of Security within stipulated time as mentioned by RBL.

Facility of Rs.13,000 million from YES Bank Limited

The Parent Guarantor has entered into a facility letter dated September 29, 2017 ("Facility Letter I") with YES Bank Limited ("YBL") as lender ("Lender") for a rupee loan facility of Rs.13,000 million ("Facility"). The purpose of availing the loan was to fund capital expenditure, or provide subordinate debt, or to use the Facility for investment into non-convertible preference shares of the direct/indirect subsidiaries of the Parent Guarantor. Subsequently, *vide* facility letter dated March 14, 2018 ("Facility Letter II") entered into between the Parent Guarantor and YBL, the terms and conditions of the Facility were added and/or amended. The interest rate on the Facility as on December 31, 2018 was 10.25% per annum. The Parent Guarantor is required to repay the loan as a bullet repayment at the end of the tenor of the Facility (36 months). As of December 31, 2018, the amount outstanding under the Facility was Rs.13,000 million.

Certain other terms and conditions of the Facility are:

- Security

The loan is secured by: (a) exclusive charge by way of hypothecation over any loans/book debts of the Parent Guarantor to provide 1x coverage; (b) exclusive charge by way of pledge over 51% of the compulsorily convertible debentures/other equity and equity like instruments of a direct subsidiary of the Parent Guarantor (referred to as a "pledging entity"); and (c) undertaking from the pledging entity confirming no change in shareholding of its direct/indirect subsidiaries without the prior approval of YBL.

- Financial covenants

The Parent Guarantor is required to maintain the following financial covenants for each financial year beginning financial year 2018: (a) the standalone debt to equity ratio of less than 1.20 times for the financial year 2018 and of less than 1.00 times for financial year 2019; and (b) consolidated debt to equity ratio not exceeding 4:1.

- Other covenants

The Parent Guarantor has made customary representations and warranties and has agreed to certain negative covenants, *inter alia*, to not: (i) undertake any incremental guarantee obligations on behalf of any other person save and except for guarantees in the normal course of business extended for raising project finance in any direct/indirect subsidiary of the Parent Guarantor; (ii) not declare any dividends, or use surplus funds for any share buybacks or for any distributions (in cash, property or obligations) to its shareholders without the prior written consent of the Lender; (iii) not repay any loans subordinated to the Facility till the Facility is fully repaid; and (iv) the borrowing SPVs or the secured SPVs should not appear in the RBI/CIBIL defaulter's list.

- Events of default

Events of default by the Parent Guarantor include, *inter alia*, the following events: (i) default by the Parent Guarantor in any credit facility availed from YBL; and (ii) any default by the Parent Guarantor to any of their other lenders.

- Voluntary Prepayment

The Parent Guarantor may prepay the loan at any time voluntarily without the payment of any prepayment charges.

- Mandatory Prepayment

The Parent Guarantor is required to mandatorily prepay, *inter alia,* in the event: (a) the debt availed by the pledging entity or its direct/indirect subsidiaries (referred to as the secured SPVs) is refinanced in any manner; (b) mandatory prepayment out of the proceeds of any masala bonds or IPO raised by the Parent Guarantor to the extent of at least Rs.1,000 million from each such event; (c) mandatory prepayment out of the proceeds of each sale or monetization of any borrowing SPV or secured SPV (to the extent of available surplus subsequent to repayment of senior debt, excluding debt from any affiliates) in the corresponding borrowing SPV or secured SPV.

- Default Interest

The penal interest in respect of the Facility is 2% per annum.

Rs.4,000 million Non-Convertible Debentures due 2020

On March 18, 2015, the Parent Guarantor entered into a debenture trust deed ("DTD") with IL&FS Trust Company Limited (now known as Vistra ITCL (India) Limited), pursuant to which it issued rated, unlisted, redeemable, non-cumulative, taxable and non-convertible debentures of an aggregate principal amount of Rs.4,000 million due 2020 (the "2020 NCDs"). As of December 31, 2018, Rs.4,000 million in principal amount of 2020 NCDs was outstanding. The coupon rate payable on the 2020 NCDs as of December 31, 2018 was:

(i) on a portion of the 2020 NCDs aggregating to Rs.2,000 million, 12.68% per annum; and

(ii) on the remaining portion of the 2020 NCDs aggregating to Rs.2,000 million, 13.01% per annum.

The obligations under the 2020 NCDs are secured, *inter alia,* by: (i) first *pari passu* charge and hypothecation on the Parent Guarantor's present and future movable assets, current assets, cash accruals, including but not limited to revenues, receivables, book debts, cash and bank balances, excluding charge on project assets implemented by the Parent Guarantor; (ii) pledge of unencumbered equity shares and/or preference shares held by the Parent Guarantor in certain of its subsidiaries, in order to maintain a pledge cover of 0.50 times up front, 0.70 times within two months of the deemed date of allotment and 1.20 times within nine months of the deemed date of allotment; and (iii) first and exclusive mortgage and charge on mortgaged property by way of registered mortgage over certain immovable properties located in Aranvihira village in the Beed district of Maharashtra.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 2.70 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 3.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 3.33 times; and (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 6.00 times.

Pursuant to the terms of the DTD, the 2020 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) effect or agree to effect any merger, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (ii) effect any sale of any encumbered assets or any business, division, any subsidiary, if such disposals exceed Rs.5,000 million; (iii) create any security interest over the assets secured in relation to the 2020 NCDs, other than as permitted under the DTD; (iv) amend, supplement or modify the terms of the constitutional documents, other than as permitted under the DTD; (v) enter into any transaction other than on arm's length basis; and (vi) pay any dividends, if any event of default is subsisting under the terms of the 2020 NCDs.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, cross-default in excess of Rs.100 million, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.2,000 million Non-Convertible Debentures due 2022

On December 23, 2016, the Parent Guarantor entered into a debenture trust deed ("DTD") with Vistra ITCL (India) Limited, pursuant to which it issued rated, unlisted, redeemable, non-cumulative taxable and non-convertible debentures of an aggregate principal amount of Rs.2,000 million due 2022 (the "2022 NCDs"). The coupon rate payable on the 2022 NCDs as of December 31, 2018 was 10.30% per annum. As of December 31, 2018, Rs.2,000 million in principal amount of 2022 NCDs was outstanding.

The obligations under the 2022 NCDs are secured, *inter alia*, by: (i) first ranking and exclusive charge on all the rights, title, interest and benefits of the Parent Guarantor in respect of the immovable properties relating to the project; (ii) first *pari passu* charge and hypothecation on the Parent Guarantor's movable assets, current assets, cash accruals, including but not limited to receivables, book debts, cash and bank balances, both present and future; and (iii) first ranking pledge of unencumbered equity shares and/or preference shares legally and beneficially held by the Parent Guarantor or its subsidiaries ("Pledged Shares"). The security package for the 2022 NCDs excludes any assets of the Parent Guarantor which form part of any projects being undertaken by the Parent Guarantor and specifically charged to banks or financial institutions providing financial assistances to the Parent Guarantor in relation to any projects, and all equity shares, preference shares and other equity investments held by the Parent Guarantor in any entity to the extent they do not form part of the Pledged Shares.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 3.00 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 3.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 3.33 times; and (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 6.00 times.

Pursuant to the terms of the DTD, the 2022 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) effect or agree to effect any merger, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (ii) effect any sale of any encumbered assets or any business, division, any subsidiary, if such disposals exceed Rs.10,000 million; (iii) create any security interest over the assets secured in relation to the 2020 NCDs, other than as permitted under the DTD; (iv) amend, supplement or modify the terms of the constitutional documents, other than as permitted under the DTD; (v) enter into any transaction other than on arm's length basis; (vi) pay any dividends, if any event of default is subsisting under the terms of the 2022 NCDs; and (vii) change its corporate entity of a private limited company, unless the Parent Guarantor is proposing an initial public offering of its equity shares.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, cross-default in excess of Rs.1000 million, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.2,835 million Non-Convertible Debentures due 2020

On September 5, 2015, the Parent Guarantor entered into a debenture trust deed ("DTD") with IL&FS Trust Company Limited (now known as Vistra ITCL (India) Limited), pursuant to which it issued secured, rated, unlisted, redeemable, non-cumulative, taxable and non-convertible debentures of an aggregate principal amount of Rs.2,835 million due 2020 (the "2020 NCDs"). The coupon rate payable on the 2020 NCDs as of December 31, 2018 was 9.50% per annum. As of December 31, 2018, Rs.2,835 million in principal amount of 2020 NCDs was outstanding.

The obligations under the 2020 NCDs are secured, *inter alia*, by: (i) first and exclusive charge by way of mortgage over the land required for the development, completion, implementation, and operation of the 51 MW wind power project in the Pratapgarh district of Rajasthan (the "Project") and immovable properties pertaining to the Project; (ii) first and exclusive charge on the present and future tangible movable assets relating to the Project; (iii) first and exclusive charge over all bank accounts and current assets pertaining to the Project; (iv) first and exclusive charge on the present and future revenues and receivables, book debts, operating cash flows, commissions and revenues pertaining to the Project; (v) first and exclusive charge on all present and future intangible assets relating to the Project, including goodwill, rights, undertaking and uncalled capital; and (vi) first charge and assignment by way of security in all the rights, title, interests, benefits, claims and demands whatsoever of the Parent Guarantor in the Project documents.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 3.50 times for financial year 2016 and 2.70 times from financial year 2017 until the final settlement date of the 2020 NCDs ("Final Settlement Date"); (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 4.00 times for financial year 2016 and 3.00 times from financial year 2017 until the Final Settlement Date; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 4.00 times for financial year 2016 and 3.33 times from financial year 2017 until the Final Settlement Date; (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 7.00 times for financial year 2016 and 6.00 times from financial year 2017 until the Final Settlement Date; (v) a debt service cover ratio not less than 1.20 times; and (vi) a fixed asset cover ratio not less than 1.22 times.

Pursuant to the terms of the DTD, the 2020 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) effect or agree to effect any merger, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (ii) effect any sale, lease, transfer or otherwise disposal of secured assets; (iii) create any security interest over the assets secured in relation to the 2020 NCDs, other than as permitted under the DTD; (iv) amend, supplement or modify the terms of the Project documents; and (v) enter into any transaction other than on arm's length basis.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, cross-default in excess of Rs.100 million, failure to achieve commercial operation date as scheduled in relation to the Project, Parent Guarantor ceasing to have direct control over the Project, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.3,210 million Non-Convertible Debentures due 2025

On October 5, 2017, the Parent Guarantor entered into a debenture trust deed ("DTD") with Vistra ITCL (India) Limited, pursuant to which it issued secured, partly paid-up, rated, unlisted, redeemable, taxable and non-convertible debentures of an aggregate principal amount of Rs.3,210 million due 2025 (the "2025 NCDs"). The coupon rate payable on the 2025 NCDs as of December 31, 2018 was 9.45% per annum. As of December 31, 2018, Rs.3,210 million in principal amount of 2020 NCDs was outstanding.

The obligations under the 2025 NCDs are secured, *inter alia*, by: (i) first and exclusive charge by way of mortgage over the immovable properties of the Parent Guarantor relating to the 44 MW wind power project at Amba, Ratlam district of Madhya Pradesh (the "Project") and other immovable properties of the Parent Guarantor as may be required in relation to the issue of debentures, both present and future; (ii) first and exclusive charge on all the movable fixed assets in relation to the Project, both present and future; (iii) first and exclusive charge over all bank accounts and current assets pertaining to the Project; (iv) first and exclusive charge on the present and future revenues and receivables, book debts, operating and other cash flows, commissions and revenues pertaining to the Project; (v) first and exclusive charge on all present and future intangible assets relating to the Project, including goodwill; (vi) first and exclusive charge and assignment by way of security in all the rights, title, interests, benefits, claims and demands whatsoever of the Parent Guarantor in the Project documents, licenses, consents and clearances relating to the Project, trade documents, letters of credit, guarantees, performance bonds and insurance contracts in relation to the Project.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 3.00 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 3.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 3.33 times; (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 6.00 times; (v) interest service coverage ratio not less than 1.25 times; and (vi) entire financial indebtedness in relation to the Project shall not exceed Rs.3,210 million.

Pursuant to the terms of the DTD, the 2025 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) effect or agree to effect any merger, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (ii) effect any sale, lease, transfer or otherwise disposal of secured assets; (iii) create any security interest over the assets secured in relation to the 2020 NCDs, other than as permitted under the DTD; (iv) amend, alter or modify the terms of the constitutional documents, other than as permitted under the DTD; (v) enter into any transaction other than on arm's length basis; and (vi) change its corporate entity of a private limited company, unless the Parent Guarantor is proposing an initial public offering of its equity shares.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, Parent Guarantor ceasing to have direct control over the Project, cross-default under any of the indebtedness of the Parent Guarantor, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.5,000 million Non-Convertible Debentures due 2021

On October 25, 2016, the Parent Guarantor entered into a debenture trust deed ("DTD") with IDBI Trusteeship Services Limited, pursuant to which it issued secured, rated, unlisted, redeemable, taxable and non-convertible debentures of an aggregate principal amount of Rs.5,000 million due 2021 (the "2021 NCDs"). The coupon rate payable on the 2021 NCDs as of December 31, 2018 was 10.40% per annum. As of December 31, 2018, Rs.5,000 million in principal amount of 2021 NCDs was outstanding.

The obligations under the 2021 NCDs are secured by, *inter alia*: (i) first charge by way of mortgage on the present and future immovable properties of the Parent Guarantor in relation to the 90.30 MW wind power project in the Dhar and Ujjain districts of Madhya Pradesh (the "Kod and Limbawas Projects") (including leasehold, freehold or sub-lease interests of the Parent Guarantor); (ii) first charge on the present and future tangible movable assets of the Parent Guarantor in relation to the Kod and Limbawas Projects; (iii) first charge on present and future currents assets of the Parent Guarantor in relation to the Kod and Limbawas Projects; (iv) first charge on present and future bank accounts of the Parent Guarantor in relation to the Kod and Limbawas Projects; (v) first charge on all present and future revenues and receivables, book debts, operating cash flows, commissions and cash of the Parent Guarantor, each in relation to the Kod and Limbawas Projects; (vi) first charge on undertaking of the Parent Guarantor in relation to the Kod and Limbawas Projects and on all present and future intangible assets, including goodwill and rights of the Parent Guarantor; and (vii) first charge and assignment, by way of security, on all the present and future rights, title, interests, benefits, claims and demands of the Parent Guarantor in the Kod and Limbawas Projects documents.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 3.00 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 3.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 3.33 times; (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 6.00 times; (v) an interest service cover ratio not less than 1.60 times; (vi) a fixed asset cover ratio not less than 1.10 times for financial years 2017 and 2018 and not less than 1.00 times for financial year 2019; (vii) a project total long term debt to equity ratio of not greater than 3.00 times; and (viii) entire financial indebtedness in relation to the Kod and Limbawas Projects shall not exceed Rs.5,000 million.

Pursuant to the terms of the DTD, the 2021 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) change its capital structure, if such change may cause a breach of the Parent Guarantor's financial covenants undertaken in relation to the 2021 NCDs; (ii) effect any sale or transfer of the Project assets during the tenor of the 2021 NCDs, other than as permitted under the DTD; (iii) create any security interest over the assets and properties related to the Kod and Limbawas Projects and contracts for the Kod and Limbawas Projects, other than as permitted under the DTD; (iv) pay any dividends, if any potential event of default or event of default is subsisting under the terms of the 2021 NCDs; (v) take or agree to take any action for any merger, consolidation, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (vi) amend, supplement or modify the terms of the documents pertaining to Kod and Limbawas Projects; (vii) enter into any transaction other than on arm's length basis; and (viii) change its corporate entity of a private limited company, unless the Parent Guarantor is proposing an initial public offering of its equity shares.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, cross-default in excess of Rs.100 million, declaration of default by the lender in relation to any financial indebtedness by any subsidiaries of the Parent Guarantor, Parent Guarantor ceasing to have direct control over the Kod and Limbawas Projects, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.1,210 million Non-Convertible Debentures due 2023

On February 21, 2018, the Parent Guarantor entered into a debenture trust deed ("DTD") with Vistra ITCL (India) Limited, pursuant to which it issued secured, rated, unlisted, redeemable, taxable and non-convertible debentures of an aggregate principal amount of Rs.1,210 million due 2023 (the "2023 NCDs"). The coupon rate payable on the 2023 NCDs as of December 31, 2018 was 9.18% per annum. As of December 31, 2018, Rs.1,210 million in principal amount of 2020 NCDs was outstanding.

The obligations under the 2025 NCDs are secured, *inter alia*, by: (i) first and exclusive charge by way of mortgage over the immovable properties of the Parent Guarantor relating to the 22 MW wind power project in District Sadla, Gujarat (the "Sadla Project") and other immovable properties of the Parent Guarantor as may be required in relation to the issue of debentures, both present and future; (ii) first and exclusive charge on all the movable fixed assets and current assets in relation to the Sadla Project, both present and future; (iii) first and exclusive charge over all bank accounts pertaining to the Sadla Project; (iv) first and exclusive charge on the present and future revenues and receivables, book debts, operating cash flows, commissions and revenues pertaining to the Sadla Project; (v) first and exclusive charge on all present and future intangible assets relating to the Sadla Project, including goodwill; (vi) first and exclusive charge and assignment by way of security in all the rights, title, interests, benefits, claims and demands whatsoever of the Parent Guarantor in the Sadla Project documents, licenses, consents and clearances relating to the Sadla Project, trade documents, letters of credit, guarantees, performance bonds and insurance contracts in relation to the Sadla Project.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 3.00 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 3.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 3.33 times; (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 6.00 times; (v) interest service coverage ratio not less than 1.25 times; and (vi) entire financial indebtedness in relation to the Sadla Project shall not exceed Rs.1,210 million.

Pursuant to the terms of the DTD, the 2023 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) effect or agree to effect any merger, reconstruction, reorganization, amalgamation and compromise; (ii) effect any sale, lease, transfer or otherwise disposal of secured assets; (iii) create any security interest over the assets secured in relation to the 2023 NCDs, other than as permitted under the DTD; (iv) amend, alter or modify the terms of the constitutional documents, other than as permitted under the DTD; (v) enter into any transaction other than on arm's length basis; and (vi) change its corporate entity of a private limited company, unless the Parent Guarantor is proposing an initial public offering of its equity shares.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, Parent Guarantor ceasing to have direct control over the Project, cross-default under any of the indebtedness of the Parent Guarantor, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Rs.10,000 million Non-Convertible Debentures due 2021

On May 25, 2018, the Parent Guarantor entered into a debenture trust deed ("DTD") with Axis Trustee Services Limited, pursuant to which it issued senior, rated, listed, secured, redeemable, non-cumulative, taxable and non-convertible debentures of an aggregate principal amount of Rs.10,000 million due 2021 (the "2021 NCDs"). The coupon rate payable on the 2020 NCDs as of December 31, 2018 was 9.60% per annum. As of December 31, 2018, Rs.10,000 million in principal amount of 2021 NCDs was outstanding.

The obligations under the 2021 NCDs are secured by: (i) a first *pari passu* charge and hypothecation on the Parent Guarantor's present and future movable assets, current assets and cash accruals; (ii) a pledge over the equity shares, preference shares, compulsorily convertible debentures and other securities convertible into equity shares issued by certain subsidiaries of the Parent Guarantor listed under the DTD and as may be identified between the debenture trustee and the Parent Guarantor; and (iii) a first and exclusive charge, by way of mortgage in a form and manner satisfactory to the debenture trustee on the mortgaged properties. The security package for the 2022 NCDs excludes any assets of the Parent Guarantor which form part of any projects being undertaken by the Parent Guarantor and all inter-company loans and deposits provided by the Parent Guarantor.

The Parent Guarantor is required to maintain: (i) a standalone net debt to tangible net worth ratio not greater than 4.00 times; (ii) an overall consolidated funded debt to tangible net worth ratio not greater than 4.00 times; (iii) a standalone funded debt to consolidated earnings before interest, tax, depreciation and amortization of the Parent Guarantor but excluding any extraordinary items ("Consolidated EBITDA") ratio not greater than 4.33 times; (iv) a consolidated funded debt to Consolidated EBITDA ratio not greater than 7.00 times; and (v) a fixed charge cover ratio not less than 1.25 times.

Pursuant to the terms of the DTD, the 2021 NCDs limit the ability of the Parent Guarantor to, *inter alia*: (i) take or agree to take any action for merger, reconstruction, reorganization, takeover, amalgamation, compromise or similar arrangements; (ii) effect the sale, lease, transfer or otherwise disposal of secured assets or any assets, properties, shares, business, division, any subsidiary, if such disposals exceed Rs.10,000 million; (iii) create any security interest over the assets secured in relation to the 2021 NCDs, other than as permitted under the DTD; (iv) amend, alter or modify the terms of the project documents, other than as permitted under the DTD; (v) enter into any transaction other than on arm's length basis; and (vi) pay any dividends, if any event of default is subsisting under the terms of the 2022 NCDs.

The DTD contains certain customary events of default, including default in the payment amounts due under the DTD or other debenture documents, breaches of obligations, commencement of insolvency or other such proceedings, breach of any financial covenant, non-creation, non-perfection or non-maintenance of security as required under the DTD, cross-default under any financial indebtedness of the Parent Guarantor, and other events of default specified in the DTD. If an event of default occurs and is continuing, the trustee under the DTD may declare amounts due to be immediately due and payable.

Other Indebtedness

The Parent Guarantor and the Restricted Group has also entered into certain non-fund based facilities which are primarily used for the issuance of letters of credit, letters of undertaking and bank guarantees. Such facilities have been borrowed from various banks including RBL Bank Limited, YES Bank Limited, IndusInd Bank Limited, Kotak Mahindra Bank Limited and IDFC Bank Limited.

DESCRIPTION OF THE NOTES

In this Description of the Notes, the term "**Parent Guarantor**" refers only to ReNew Power Limited and not to any of its subsidiaries, and the term "**Co-Issuer**" refers to any of Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited, and the term "Co-Issuers" refers to all of them. The due and punctual payment of all amounts payable by each Co-Issuer under the Notes, including principal, premium, if any, and interest thereon, will be (i) fully and unconditionally guaranteed on a senior basis by each of the other Co-Issuers (each, in such capacity, a "Guarantor," and collectively, the "Guarantors") and (ii) fully guaranteed on a senior basis by the Parent Guarantor as per the terms of the Indenture (each, a "Guarantee," and collectively, the "Guarantees"). The Co-Issuers will issue the Notes under an indenture dated as of March 12, 2019 (the "Indenture"), among the Co-Issuers, the Guarantors, the Parent Guarantor, Citicorp International Limited as trustee and Citibank, N.A., London Branch as paying agent, registrar and transfer agent, in transactions that will not be subjected to the registration requirements of the Securities Act. The Collateral Documents referred to below under the caption "– *Security*" will define the terms of the agreements that will secure the Notes. Defined terms used in this Description of the Notes but not defined under "– *Certain Definitions*" have the meanings assigned to them in the Indenture.

The Notes issued pursuant to this offering memorandum shall constitute a further issue of, and be consolidated and form a single series with, the US$375,000,000 6.67% Senior Secured Notes due 2024 issued by the Co-Issuers on March 12, 2019 (the "Original Notes"). The terms of the Notes are same as those for the Original Notes in all respects except for the issue date and the issue price.

The following Description of the Notes is a summary of the material provisions of the Indenture, the Notes, the Guarantees, the Collateral Documents and the Collateral. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes, the Guarantees and, once executed, each of the Collateral Documents. It does not restate those agreements in their entirety. We urge you to read the Indenture and, once executed, each of the Collateral Documents, because they, and not this description, define your rights as Holders. Copies of the Indenture and, once executed, each of the Collateral Documents, will be made available as set forth below under "– *Additional Information*."

The Holder of a Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the Indenture.

Any early redemption, repurchase or repayment of Notes or any amendments to certain terms and conditions of the Notes by the Co-Issuers as described hereunder may require the prior approval of the Reserve Bank of India (the "RBI") or an Authorized Dealer Bank, as the case may be, in accordance with Circular No. 17 with reference number RBI/2018-19/109 issued by the RBI titled "External Commercial Borrowings, (ECB Policy) – New ECB Framework" dated January 16, 2019 and the Master Direction – External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorized Dealers and Persons other than Authorized Dealers dated January 1, 2016, as amended, replaced or modified from time to time issued by the RBI, before effecting such early redemption, repurchase, repayment or amendment, as the case may be, and such approval may not be forthcoming. See "Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – Redemption of the Notes prior to maturity may be subject to compliance with applicable regulatory requirements, including the prior approval of the RBI or the Authorized Dealer Bank, as the case may be."

Brief Description of the Notes and the Guarantees

The Notes

The Notes issued by a Co-Issuer will:

- be general obligations of such Co-Issuer;
- rank senior in right of payment to any existing and future obligations of such Co-Issuer that is subordinated in right of payment to the Notes;

- rank equally in right of payment with any existing and future obligations of such Co-Issuer that are not subordinated in right of payment to the Notes (including Existing Senior Indebtedness of such Co-Issuer);

- be guaranteed by the Guarantors and the Parent Guarantor on a senior basis in accordance with the Indenture, subject to the limitations described below under "*– The Guarantees" and "Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Guarantees;*"

- be effectively subordinated to any existing and future secured Indebtedness of such Co-Issuer (other than the Notes and any Permitted Pari Passu Secured Indebtedness) to the extent of the value of the assets securing such Indebtedness; and

- be secured by a Lien on the applicable Collateral as further described under the caption "– Security."

The Notes will mature on March 12, 2024 unless earlier redeemed pursuant to the terms thereof and the Indenture. The Indenture allows additional Notes to be issued from time to time (the "Additional Notes"), subject to certain limitations described under "– Further Issues." Unless the context requires otherwise, references to the "Notes" for all purposes of the Indenture and this "Description of the Notes" include the Original Notes and any Additional Notes that are actually issued. The Notes will bear interest at 6.67% per annum from the date of the issuance of the Notes or from the most recent interest payment date to which interest has been paid or duly provided for, payable semi-annually in arrears on March 12 and September 12 of each year (each, an "Interest Payment Date"), commencing September 12, 2019. Interest payable in relation to the Notes will be paid as if such Notes were issued on the Original Issue Date. See Appendix B to the Offering Memorandum for certain information relating to the Notes for purposes of the applications by the Co-Issuers to the RBI for loan registration numbers.

Interest on the Notes will be paid to Holders of record at the close of business on February 25 or August 28 immediately preceding an Interest Payment Date (each, a "Record Date"), notwithstanding any transfer, exchange or cancellation thereof after a Record Date and prior to the immediately following Interest Payment Date. Interest on the Notes will be calculated on the basis of a 360 day year comprised of twelve 30-day months.

Except as described under "Optional Redemption" and "Redemption for Taxation Reasons" and as otherwise provided in the Indenture, the Notes may not be redeemed prior to maturity (unless they have been repurchased by the Co-Issuers).

In any case in which the date of the payment of principal of, premium (if any) or interest on the Notes (including any payment to be made on any date fixed for redemption or purchase of any Note) is not a business day in the relevant place of payment or in the place of business of the Paying Agent, then payment of principal, premium (if any) or interest need not be made in such place on such date but may be made on the next succeeding business day in such place. Any payment made on such business day will have the same force and effect as if made on the date on which such payment is due, and no interest on the Notes will accrue for the period after such date. Interest on overdue principal and interest and Additional Amounts, if any, will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes.

The Notes will be issued only in fully registered form, without coupons, in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. See "– Book-Entry; Delivery and Form." No service charge will be made for any registration of transfer or exchange of Notes, but the Co-Issuers may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge payable in connection therewith.

All payments on the Notes will be made in U.S. dollars in immediately available funds by the Co-Issuers at the office or agency of the Co-Issuers maintained for that purpose (which initially will be the specified office of the Paying Agent currently located at c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay, Dublin, Ireland, and the Notes may be presented for registration of transfer or exchange at such office or agency; *provided that*, at the option of the Co-Issuers, payment of interest may be made by check mailed to the address of the Holders as such address appears in the Note register or by wire transfer.

The Guarantees

Under the Indenture, each of the Co-Issuers will Guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes issued by any other Co-Issuer. The obligations of each of the Guarantors under its Guarantee will be limited as necessary to prevent the Guarantee from constituting a fraudulent conveyance under applicable law. See "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Guarantees.*"

Each Guarantee provided by a Guarantor will:

- be a general obligation of such Guarantor;

- rank senior in right of payment to any existing and future obligations of such Guarantor that are subordinated in right of payment to its Guarantee;

- rank equally in right of payment with any existing and future obligations of such Guarantor that are not subordinated in right of payment to its Guarantee (including Existing Senior Indebtedness of such Guarantor); and

- be effectively subordinated to any existing and future secured Indebtedness of such Guarantor to the extent of the value of the assets securing such Indebtedness.

Under the Indenture, subject to its Guarantee being released in accordance with the terms of the Indenture, the Parent Guarantor will Guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under the Notes. The obligations of the Parent Guarantor under its Guarantee will be limited as necessary to prevent its Guarantee from constituting a fraudulent conveyance under applicable law. See "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Guarantees.*"

The Guarantee provided by the Parent Guarantor will:

- be a general obligation of the Parent Guarantor;

- be senior in right of payment to any existing and future obligations of the Parent Guarantor that are subordinated in right of payment to its Guarantee;

- rank equally in right of payment with any existing and future obligations of the Parent Guarantor that are not subordinated in right of payment to its Guarantee;

- be effectively subordinated to any existing and future secured Indebtedness of the Parent Guarantor to the extent of the value of the assets securing such Indebtedness; and

- be effectively subordinated to all existing and future obligations of any Subsidiary of the Parent Guarantor that does not also Guarantee the Notes.

The Guarantee by the Parent Guarantor in respect of the Notes will automatically be released at any time on or after the date when the audited consolidated financial statements of the Parent Guarantor for the year ending March 31, 2020 become available if the Combined Leverage Ratio does not exceed 5.5 to 1.0; *provided, however, that* no such release of the Guarantee by the Parent Guarantor shall be permitted between (x) the date of repayment of any Previously Refinanced Indebtedness and (y) the date on which the applicable Permitted Refinancing Indebtedness was Incurred to refinance such Previously Refinanced Indebtedness.

The Guarantees will automatically be released upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture as provided below under the captions "– *Legal Defeasance and Covenant Defeasance*" and "– *Satisfaction and Discharge*" and upon repayment in full of the Notes.

No release of a Guarantor or the Parent Guarantor from its Guarantee will be effective against the Trustee or Holders until the Parent Guarantor shall have delivered to the Trustee an Officer's Certificate stating that all requirements relating to such release and discharge have been complied with and that such release and discharge is authorized and permitted under the Indenture. The Trustee shall be entitled to rely on such Officer's Certificate as conclusive evidence for release of such Guarantee.

Security

Collateral

The obligations of each Co-Issuer with respect to the Notes (for which the Co-Issuer acts as a primary obligor and not as a Guarantor) and the performance of all other obligations of each Co-Issuer under the Indenture (to the extent of the Notes in respect of which the Co-Issuer acts as a primary obligor and not as a Guarantor) will be secured by the following Indian law governed security package (the "Collateral"):

- a first ranking *pari passu* mortgage over certain immovable property of such Co-Issuer;
- a first ranking *pari passu* charge over movable (tangible and intangible) assets and current assets of such Co-Issuer (other than certain accounts as set out in Appendix A of this "*Description of the Notes*");
- a first ranking *pari passu* charge over the rights and benefits of such Co-Issuer under certain project documents (including, power purchase agreements, EPC contracts, operation and maintenance contracts, clearances and authorisations, insurance contracts, letters of credit and performance bonds); and
- a first ranking pledge by the Parent Guarantor and ReNew Solar Power Private Limited (as applicable) over 51.0% of the equity shares of such Co-Issuer and such other securities of such Co-Issuer which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness.

The security over the Collateral shall be created on a *pari passu* basis for the benefit of the Holders and the Persons extending any Permitted Pari Passu Secured Indebtedness.

See Appendix A of this "*Description of the Notes*" for a more detailed description of the Collateral. See also "*Events of Default and Remedies*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – Security over the Collateral will not be granted directly to the Holders*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The value of the Collateral may not be sufficient to repay the Notes in full*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The failure of the Restricted Group to properly (or to take all commercially reasonable steps to) create, perfect and register the security interests in the Collateral securing the Notes could result in an event of default, and could impair the ability of the Holders to seek repayment*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The enforceability of the security granted for the benefit of the holder of the Notes will be subject to Indian law*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – Enforcing the rights of Holders under the Notes and/or the Collateral Documents across multiple jurisdictions and enforcing foreign court judgments on the Co-Issuers in India may prove difficult*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The security over certain Collateral may in certain circumstances be voidable.", "Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Holders will not have any direct recourse to the existing lenders of the Co-Issuers*", "*Risk Factors – Risks Relating* *to the Notes, the Guarantees and the Collateral-The enforcement of the security interest over the Collateral may not be solely at the discretion of the Holders, may be adverse to the interest of the non-consenting Holders"*, "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Guarantee provided by the Parent Guarantor may be released*", "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Guarantees may be challenged under applicable insolvency or fraudulent transfer laws, which could impair the enforceability of the Guarantees*" and "*Risk Factors – Risks Relating to the Notes, the Guarantees and the Collateral – The Trustee may request that the Holders provide an indemnity and/or security and/or prefunding to its satisfaction*".

Until such time as the Lien over the Collateral is created, each Co-Issuer shall provide the Security Trustee and the Trustee information regarding the status of security creation (i) promptly but in any case within fifteen (15) days after the occurrence of any event which, in the view of the relevant Co-Issuer, may adversely affect the creation of security within the relevant time period mentioned in Appendix A of this "*Description of the Notes*"; (ii) within fifteen (15) days after the end of each two (2) months period from the Original Issue Date; and (iii) within fifteen (15) days after receiving a request for such information from the Security Trustee or the Trustee.

Permitted Pari Passu Secured Indebtedness

Each Co-Issuer may create Liens on the applicable Collateral *pari passu* with the Lien for the benefit of the Holders to secure Existing Senior Indebtedness and future Senior Indebtedness of such Co-Issuer, *provided that* such Co-Issuer was permitted to Incur such Indebtedness, and such Indebtedness was incurred, under clause (1)(b), (1)(c), (1)(f) or (1)(k) under the covenant "– Indebtedness and Preferred Stock", the Original Issue Date Undrawn Indebtedness and any Permitted Refinancing Indebtedness of such Indebtedness (such existing and future Indebtedness, "Permitted Pari Passu Secured Indebtedness"). As a condition to creating Liens on the Collateral under such Permitted Pari Passu Secured Indebtedness, (1) the holders of such Indebtedness (or their representative or agent), other than with respect to Additional Notes or other Indebtedness in respect of which the relevant holder or their representative or agent is already a party to the applicable Security Sharing Agreement(s), become party to the applicable Security Sharing Agreement(s); and (2) the applicable Co-Issuer delivers to the Trustee and the Security Trustee an Opinion of Counsel and an Officer's Certificate with respect to corporate and collateral matters in connection with the Collateral Documents, in form and substance as set forth in the Collateral Documents. The Trustee and/or the Security Trustee, as the case may be, will be permitted and authorized, without the consent of any Holder, to enter into any amendments or supplements to the Collateral Documents, the Trust and Retention Account Agreements, the Security Sharing Agreements or the Indenture and take any other action necessary to permit the creation and registration of Liens on the Collateral to secure Permitted Pari Passu Secured Indebtedness in accordance with this paragraph and the terms of the Indenture.

Security Sharing Agreements

Within five months of the Original Issue Date, in relation to each Co-Issuer, a Security Sharing Agreement will be entered into between the existing rupee term loan lender of that Co-Issuer (the "Existing Lender") (if any), the security trustee acting for benefit of the Existing Lender (the "Existing Security Trustee") (if any), the lender's agent for the Existing Lender (if any), the hedging counterparties (if any), Axis Trustee Services Limited as the security trustee acting for the benefit of the Trustee, the Holders and the hedging counterparties (if any) in relation to the Notes (the "Hedge Counterparties") and Yes Bank Limited as the account bank.

Where a Co-Issuer has availed separate rupee term loans from the Existing Lenders ("Rupee Loan(s)") for the projects developed or being developed by that Co-Issuer, there may be separate Security Sharing Agreements entered into in relation to that Co-Issuer between the parties described above for those projects.

Each Security Sharing Agreement will also allow any new lender providing Permitted Pari Passu Secured Indebtedness, and any security trustee and security agent appointed by such lender, to accede to the Security Sharing Agreement, and also permit transferees or novatees of any lender as well as new hedge counterparties and replacement account bank to accede to the Security Sharing Agreement. For the purposes of this section, the Existing Lender and any person providing Permitted Pari Passu Secured Indebtedness are together referred to as the "Rupee Lenders", and the Existing Security Trustee and any security trustee appointed by the lenders of Permitted Pari Passu Secured Indebtedness are referred to as "Rupee Security Trustees."

Each Security Sharing Agreement will provide for the following:

1. Undertaking from the Rupee Security Trustee and the Security Trustee: Each of the Rupee Security Trustee and the Security Trustee shall undertake that:

    i. It has no objection to the creation of a first ranking *pari passu* charge over such properties and assets which are proposed to be charged for the common benefit of the Rupee Lenders, the Holders and the Hedge Counterparties (the "Common Collateral"), such that security interest over the Common Collateral is created in favor of and held by the Rupee Security Trustees (acting on behalf of the Rupee Lenders and other secured parties under the Rupee Loans or Permitted Pari Passu Secured Indebtedness (as applicable)) and the Security Trustee (acting on behalf of the Trustee, Holders and the Hedge Counterparties (if any)) on a pari passu basis. The Rupee Security Trustee acting on behalf of the Existing Lenders shall agree to cede pari passu charge over the Common Collateral for the benefit of the Holders, the Hedge Counterparties and the other Rupee Lenders.

    ii. It will distribute and share any and all proceeds realized by it upon enforcement of the security over the Common Collateral and on the invocation of the Guarantees or guarantees provided for the benefit of the Rupee Lenders and Hedge Counterparties on a pro-rata and *pari passu* basis, and such proceeds of the enforcement shall be applied in the ranking and priority mentioned in the Security Sharing Agreement.

2. Priority of payments: Any proceeds received by a party on enforcement of the Common Collateral or invocation of the Guarantees or guarantees provided for the benefit of the Rupee Lenders and the Hedge Counterparties and all other recoveries made by the parties shall be distributed in the following order of priority and ranking:

    i. **first**, in or towards payment pro rata of any unpaid amount owing to the Rupee Security Trustees, the Security Trustee, the Trustee, any receiver or any delegate;

    ii. **second**, in or towards payment pro rata of the amount of all costs and expenses (including legal fees) incurred by any Rupee Lender(s) or any other secured party (under the Rupee Loan(s) or Permitted Pari Passu Secured Indebtedness (as applicable)) or any of the Trustee, the Holders or the Security Trustee (collectively, the "Notes Parties") or any of the Hedge Counterparties in connection with any realization and enforcement of the Common Collateral or the invocation of the Guarantees or the guarantees provided for the benefit of the Rupee Lenders and the Hedge Counterparties or preservation of its rights;

    iii. **third**, in or towards payment pro rata of any accrued interest, fee or commission due but unpaid to the Rupee Lenders, and the Holders, and any scheduled obligations (excluding any hedge termination value) due and payable to the Hedge Counterparties after giving effect to any legally enforceable netting agreement applicable thereto;

    iv. **fourth**, in or towards payment pro rata of any principal due but unpaid to the Rupee Lenders, the Holders, and any hedge termination value due and payable to the Hedge Counterparties;

v. **fifth**, in or towards payment pro rata of any other sum due but unpaid under the Rupee Loans, the Permitted Pari Passu Secured Indebtedness, the Notes and the hedging agreements; and

vi. **finally**, after all the outstanding amounts in relation to the Rupee Loans, the Permitted Pari Passu Secured Indebtedness and the Notes and amounts due to the Hedge Counterparties have been paid in full, in or towards payment of the surplus (if any) to the relevant Co-Issuer or other person entitled to it.

3. Material Events: Each Security Sharing Agreement shall designate the following events of default (and other events as may be agreed among the parties) under the Rupee Loans, the Permitted Pari Passu Secured Indebtedness, the Notes or the hedging arrangements as 'Material Events':

i. default in relation to payment of principal or interest amount or any other amount payable;

ii. any payment related default under any agreement or document in relation to any other indebtedness of the Co-Issuer;

iii. inability of the Co-Issuer to pay its debts, or suspension of payments under any debt or negotiations by the Co-Issuer for rescheduling or deferral of any parts of its debts, or a proposal to make general assignment or an arrangement or composition for the benefit of the creditors; or

iv. the Co-Issuer or the Parent Guarantor becoming subject matter of bankruptcy or insolvency proceedings whether voluntarily or otherwise, or a receiver, trustee, liquidator, insolvency resolution professional or other similar officer has been appointed in relation to the Co-Issuer or the Parent Guarantor.

4. Enforcement of security over Common Collateral:

i. The Rupee Lenders and other secured parties under the Rupee Loans and the Permitted Pari Passu Secured Indebtedness, the Notes Parties and the Hedge Counterparties shall have the right to enforce the security over the Collateral and invoke the respective guarantees in accordance with the rights available to them under the terms of the underlying agreements.

ii. Any Rupee Lenders and other secured parties under the Rupee Loans or the Permitted Pari Passu Secured Indebtedness (as applicable), and any Notes Party and any Hedge Counterparty, prior to taking any enforcement action in relation to the Common Collateral or the relevant guarantees, shall notify the relevant Rupee Security Trustee and the Security Trustee, respectively, of the action such secured party under the Rupee Loans or the Permitted Pari Passu Secured Indebtedness (as applicable) or the Notes Party or the Hedge Counterparty, as the case may be, proposes to take (the "Lender Notice"). Upon receipt of the Lender Notice, the relevant Rupee Security Trustee, or the Security Trustee, as the case may be, shall notify the Security Trustee or the Rupee Security Trustees, respectively, within two (2) business days from the receipt of the Lender Notice (the "Trustee Notice") (or such other time period as may be agreed among the parties), of the contents of the Lender Notice in reasonable detail, and:

(a) if the proposed enforcement action is on account of a Material Event, request a determination or decision by the relevant parties regarding the enforcement action within five (5) business days (or such other time period as may be agreed among the parties) from the date of the Trustee Notice (the "Notice Period"); and

(b) if the proposed enforcement action is proposed on account of any other event (not being a Material Event) request a determination or decision by the relevant parties regarding the enforcement action within thirty (30) business days (or such other time period as may be agreed among the parties) from the date of the Trustee Notice.

iii. Each Rupee Security Trustee and the Security Trustee shall promptly and within the time period specified under the Security Sharing Agreement forward the Trustee Notice to the secured parties under the Rupee Loans or the Permitted Pari Passu Secured Indebtedness (as applicable) or the Notes Parties and the Hedge Counterparties, as applicable, and request the relevant parties to arrive at a decision or determination within the stipulated time period.

iv. On receipt of the Trustee Notice, the secured parties under the Rupee Loans or the Permitted Pari Passu Secured Indebtedness (as applicable) and the Notes Parties and the Hedge Counterparties (as the case may be) shall notify the Rupee Security Trustee(s), and the Security Trustee, respectively, (a) of their determination or decision to either participate in the relevant enforcement action, or not; or (b) in consultation with the other parties, suggest an alternative course of action. Each of the Rupee Security Trustee(s), and the Security Trustee, as the case may be, shall then convey the final decision to the other (as applicable).

v. On receipt of the instructions from the relevant parties, or expiry of the period prescribed in paragraph (ii) above, whichever is earlier, the following actions shall occur:

(a) if instructions as mentioned in paragraph (iv) above have been received, the Rupee Security Trustees, or the Security Trustee (as the case may be) shall commence the relevant enforcement action or such other action as has been decided among the parties in accordance with the above; and

(b) if the consultation period described above has expired and no instructions have been received, each secured party under the Rupee Loans or the Permitted Pari Passu Secured Indebtedness (as applicable), each Notes Party and each Hedge Counterparty shall be free to take the relevant enforcement action as mentioned in the Lender Notice.

Trust and Retention Account Agreements

Within five months of the Original Issue Date, each Co-Issuer will enter into one or more trust and retention account agreements (each, a "Trust and Retention Account Agreement")(including, if applicable, as an amendment and restatement of a Co-Issuer's existing trust and retention account agreement(s)), with *inter alia* YES Bank Limited as the account bank, the security trustee acting for benefit of the existing rupee term loan lender(s) (if any) of that Co-Issuer ("Rupee Lender(s)"), Axis Trustee Services Limited as the security trustee acting for the benefit of the Trustee, the Holders and the hedging counterparties (if any), and the facility agent under the relevant existing rupee term loan facility agreement(s) (if any) entered into by that Co-Issuer ("Rupee Loan Agreement(s)"). Where a Co-Issuer has availed separate rupee term loans from Rupee Lenders ("Rupee Loan(s)") for the projects developed or being developed by that Co-Issuer and has accordingly opened more than one trust or escrow account (each other trust or escrow account, the "Other Project Trust And Retention Account"), it is proposed that separate Trust and Retention Account Agreements will be entered into by that Co-Issuer for those projects; however, should the Rupee Lender(s) agree, a consolidated trust and retention account may be established on an entity level and accordingly, movement of funds between two or more trust and retention accounts of the same Co-Issuer, as contemplated below, may not be relevant.

Each trust and retention account will have the sub-accounts identified in the waterfall set out below (except in case of Renew Wind Energy (Devgarh) Private Limited, ReNew Wind Energy (Rajasthan 3) Private Limited and ReNew Clean Energy Private Limited, which will not have the sub-accounts relating to servicing of any Rupee Loans, and in respect of which the references to Rupee Loans in this section are not relevant), and the corresponding Trust and Retention Account Agreement will provide the terms and conditions on which all deposits and withdrawals from the sub-accounts of that trust and retention account may be made. All accounts will be denominated in INR and all amounts will be deposited in INR in such accounts.

(1) Revenue Account:

- *Deposits*: For deposit of:

  (i) all amounts in respect of the relevant project(s) (other than (a) the proceeds from issuance of the Notes, (b) the proceeds of the hedging facilities, (c) amounts received in the form of interest on the Parent Guarantor Loans made by the relevant Co-Issuer representing, in combination with the Parent Guarantor Loans made by other Co-Issuers, an aggregate principal amount of up to INR 8.4 billion ("Relevant PG Loans"), (d) any amount infused in or extended to the Co-Issuer by the Parent Guarantor and/or its affiliates[1], (e) insurance proceeds, (f) proceeds of disposal of assets (including enforcement of the Collateral and the Permitted Collateral Liens), (g) compensation for expropriation of assets and damages or termination payments made to such Co-Issuer under any project documents, and (i) amounts Incurred under clause (1)(e) under the covenant described under "– Certain Covenants – Indebtedness and Preferred Stock"); and

  (ii) the amounts that were lying to the credit of the construction account or, if applicable, any other sub-accounts, escrow accounts or trust and retention accounts of the relevant Co-Issuer, on their closure.

- *Withdrawals*: For deposit in the accounts set out in 2 to 12 below in the following order of priority.

(2) Statutory Dues Account:

- *Deposits*: From the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Operations and Maintenance Costs Account, the Annual Prepayment Account and the Distribution Account and from the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers.

- *Withdrawals*: For payments of taxes and statutory dues.

(3) Operations and Maintenance Costs Account:

- *Deposits:* From the Revenue Account, the Surplus Account and the Major Maintenance Reserve Account and from the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers.

- *Withdrawals:* For payment of operating costs and expenses (including the cost of utilities, salaries and administrative overheads, insurance premiums, costs and expenses incurred in the operation, management and maintenance of the relevant project, and costs of professionals and

1 Where the amounts are infused or extended for: (a) a specific purpose (other than an increase in the net worth of a Co-Issuer), such amounts will be deposited in the relevant account from which they can be applied towards the purpose for which the funds have been infused; (b) an increase in the net worth of a Co-Issuer, such amounts will be deposited in the surplus account and withdrawn for payments towards transactions that do not violate the terms of the Indenture or the Rupee Loan Agreements and related financing documents and after satisfaction of the conditions required to be fulfilled by the terms of the Indenture, the Rupee Loan Agreements, the hedging agreements and related financing documents for transfer into the Distribution Account to make any payments which are restricted under the covenant described under the caption "– *Certain Covenants – Restricted Payments*" and are restricted payments (as defined under the Rupee Loan Agreement).

consultants) up to the limit set out in the budget set out in Appendix B of this "*Description of the Notes*", as applicable to the relevant Co-Issuer (with a permissible variation of 10%) and to fund deficiencies in the Statutory Dues Account and the statutory dues account of the Other Project Trust and Retention Account and of the trust and retention accounts of the other Co-Issuers.

(4) Rupee Debt Interest Payment Account:

- *Deposits:* The amount equivalent to the interest and other amounts (other than the principal amount) set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Rupee Loan(s) in the month in which the relevant monthly distribution date falls, from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Interest Service Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers, in each case on a pro-rata basis with the amounts being deposited to the Notes Debt Interest Payment Account and (other than in respect of amounts from the Interest Service Reserve Account and the corresponding account of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers) the Working Capital Debt Interest Payment Account.

- *Withdrawals:* For servicing interest and other amounts (other than the principal amount) in relation to the relevant Rupee Loan availed by the relevant Co-Issuer.

(5) Notes Debt Interest Payment Account:

- *Deposits:* The amount equivalent to the interest and other amounts (other than the principal amount and the amounts payable to the hedging counterparties from the Notes Debt Principal Payment Account) set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Notes and related hedging facilities in the month in which the relevant monthly distribution date falls (with the required balance in this account being calculated across any corresponding sub-account of the Other Project Trust and Retention Account of that Co-Issuer (if any)): (i) transferred from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Interest Service Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers, in each case on a pro-rata basis with the amounts being deposited to the Rupee Debt Interest Payment Account and (other than in respect of amounts from the Interest Service Reserve Account and the corresponding account of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers) the Working Capital Debt Interest Payment Account; and (ii) comprising funds received in the form of interest on the Relevant PG Loans.

- *Withdrawals:* For servicing the interest and other amounts (other than the principal amount) in relation to the Notes and the other amounts payable to the hedging counterparties from this account under the terms of the Trust and Retention Account Agreement, on a pro-rata basis.

(6) Working Capital Debt Interest Payment Account:

- *Deposits:* The amount equivalent to the interest and other amounts (other than the principal amount) set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Indebtedness permitted to be Incurred under clause (1)(k) of the covenant described under the caption "– *Certain Covenants – Indebtedness and Preferred Stock*" in the month in which the relevant monthly distribution date falls from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers, in each case on a pro-rata basis with the amounts being deposited to the Rupee Debt Interest Payment Account and the Notes Debt Interest Payment Account.

- *Withdrawals:* For servicing the interest and other amounts (other than the principal amount) in relation to the Indebtedness permitted to be Incurred under clause (1)(k) of the covenant described under the caption "– *Certain Covenants – Indebtedness and Preferred Stock*" to the extent permitted by the terms of the Indenture.

(7) Rupee Debt Principal Payment Account:

- *Deposits:* The amount equivalent to the principal set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Rupee Loan(s) in the month in which the relevant monthly distribution date falls, from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers, in each case on a pro-rata basis with the amounts being deposited to the Notes Debt Principal Payment Account and the Working Capital Debt Principal Payment Account.

- *Withdrawals:* For servicing the principal amounts (including repayment installments) in relation to the relevant Rupee Loan availed by the relevant Co-Issuer.

(8) Notes Debt Principal Payment Account:

- *Deposits:* The amount equivalent to the principal amount in relation to the Notes, the hedge termination amounts and other amounts payable to the hedging counterparties from this account under the terms of the Trust and Retention Account Agreement, set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Notes and related hedging facilities in the month in which the relevant monthly distribution date falls (with the required balance in this account being calculated across any corresponding sub-account of the Other Project Trust and Retention Account of that Co-Issuer (if any)) from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the Revenue Account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers in each case on a pro-rata basis with the amounts being deposited to the Rupee Debt Principal Payment Account and the Working Capital Debt Principal Payment Account.

- *Withdrawals:* For servicing the principal amount in relation to the Notes, the hedge termination amounts and the other amounts payable to the hedging counterparties from this account under the terms of the Trust and Retention Account Agreement, on a pro-rata basis.

(9) Working Capital Debt Principal Payment Account:

- *Deposits:* The amount equivalent to the principal amount set out in the relevant notice of debt service provided by the Co-Issuer in accordance with the Trust and Retention Account Agreement, as due and payable in respect of the Indebtedness permitted to be Incurred under clause (1)(k) of the covenant described under the caption "– *Certain Covenants – Indebtedness* *and Preferred Stock*" in the month in which the relevant monthly distribution date falls from the Revenue Account, the Surplus Account, the Major Maintenance Reserve Account, the Annual Prepayment Account, the Distribution Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers, in each case on a pro-rata basis with the amounts being deposited to the Rupee Debt Principal Payment Account and the Notes Debt Principal Payment Account.

- *Withdrawals:* For servicing the principal in relation to the Indebtedness permitted to be Incurred under clause (1)(k) of the covenant described under the caption "*– Certain Covenants – Indebtedness and Preferred Stock*" to the extent permitted by the terms of the Indenture.

(10) Interest Service Reserve Account:

- *Deposits:* From the Revenue Account, the Surplus Account and the Major Maintenance Reserve Account such that amount in such account together with the corresponding sub-account of the Other Project Trust and Retention Account (if any) of that Co-Issuer and the trust and retention accounts of all other Co-Issuers ("Co-Issuer Interest Service Reserve Accounts"), is equivalent to six months' of interest service in respect of the Notes (calculated based on the Dollar Equivalent as of the Original Issue Date) and the Rupee Loan(s) availed by all Co-Issuers).

- *Withdrawals:* For transfer to the Rupee Debt Interest Payment Account, the Notes Debt Interest Payment Account and the corresponding accounts of the Other Project Trust and Retention Account (if any) of that Co-Issuer and of the trust and retention accounts of the other Co-Issuers, if there is an insufficiency in such accounts. Pursuant to any withdrawals from such account, the required balance shall be replenished from available cash flows in accordance with the waterfall in due course.

(11) Major Maintenance Reserve Account:

- *Deposits:* From the Revenue Account, the Surplus Account and the corresponding accounts (excluding the revenue account) of the Other Project Trust and Retention Account (if any) and of the trust and retention accounts of the other Co-Issuers, for building a reserve, commencing from the sixth year from the commercial operation date of the relevant project(s), such that an amount equivalent to INR 100,000 per MW of the project capacity is funded into this account annually.

- *Withdrawals:* Towards major maintenance in respect of the relevant project(s) and for funding shortfalls in the accounts listed in 2 to 10 above and the corresponding accounts of the Other Project Trust and Retention Account (if any) and of the trust and retention accounts of the other Co-Issuers.

(12) Surplus Account:

- *Deposits:* Any balance amounts in the Revenue Account after making the deposits described in 2 to 11 above and any amount infused in or extended to the Co-Issuer by the Parent Guarantor and/or its affiliates to increase the net worth of the Co-Issuer (which will be withdrawn (i) for payments towards transactions that do not violate the terms of the Indenture or the Rupee Loan Agreements and related financing documents, and/or (ii) after satisfaction of the conditions required to be fulfilled by the terms of the Indenture, the Rupee Loan Agreements, the hedging agreements and related financing documents, for transfer into the Distribution Account to make any payments which are restricted under the covenant described under the caption "*– Certain Covenants – Restricted Payments*" and are restricted payments (as defined under the Rupee Loan Agreements)).

- *Withdrawals:* For application in the following order of priority:

  (i) funding shortfalls in the accounts listed in 2 to 11 above;

  (ii) funding shortfalls in the Other Project Trust and Retention Account (if any) (other than the interest service reserve account, compensation account, enforcement proceeds account, surplus account and distribution account);

  (iii) funding shortfalls in the trust and retention accounts of the other Co-Issuers (other than their interest service reserve account, compensation account, enforcement proceeds account, surplus account and distribution account);

  (iv) funding the required balance in the Annual Prepayment Account;

  (v) (x) payments towards transactions that do not violate the terms of the Indenture or the Rupee Loan Agreements and related financing documents and which are not (i) payments which are restricted under the covenant described under the caption "– *Certain Covenants – Restricted Payments*" or (ii) restricted payments (as defined under the Rupee Loan Agreements); and/or (y) after satisfaction of the conditions required to be fulfilled by the terms of the Indenture, the Rupee Loan Agreements, the hedging agreements and related financing documents, for transfer into the Distribution Account to make any payments which are restricted under the covenant described under the caption "– *Certain Covenants –Restricted Payments*" and are restricted payments (as defined under the Rupee Loan Agreements).

(13) Annual Prepayment Account:

- *Deposits:* The amount to be applied towards prepayment annually by all Co-Issuers is set out in Appendix C of this "*Description of the Notes*", as adjusted for any unscheduled early prepayments in a year which exceed the amounts set out in Appendix C and for any undrawn amounts in respect of the Rupee Loans, with a break-up of the amount of the Rupee Loans required to be prepaid by each Co-Issuer being given in the relevant Trust and Retention Account Agreement. 1/12th of the amount required to prepay the designated portion of the Rupee Loan(s) each year (as specified in the relevant Trust and Retention Account Agreement) on the 10th day of each calendar month (or if such day is not a business day, the next succeeding business day) will be funded into this account ("Monthly Prepayment Amount") from the Surplus Account and the surplus account of the Other Project Trust and Retention Account (if applicable) and of the trust and retention accounts of the other Co-Issuers. If the amounts in these accounts are not adequate in a particular month or months to fund the Monthly Prepayment Amount, additional amounts may be funded in subsequent month(s) such that the relevant portion of the Rupee Loan(s) may be fully prepaid at the end of the relevant financial year, *provided that* it is not a default if the relevant balances are not maintained in this account or the relevant Rupee Loans have not been prepaid; rather, the Co-Issuers will not be permitted to make payments which are restricted under the covenant described under the caption "– *Certain Covenants – Restricted Payments*" and are restricted payments (as defined under the Rupee Loan Agreements) unless, at that time, (i) the required balance in each of the annual prepayment accounts of the Co-Issuers has been maintained; (ii) the amounts which were required to be maintained, have been utilized to prepay the applicable Rupee Lender(s); or (iii) a combination of (i) and (ii) has occurred, in each case, in accordance with the Trust and Retention Account Agreement.

- *Withdrawals:* To fund shortfalls in the accounts listed in paragraphs 2, 4, 5, 6, 7, 8 and 9 above and the corresponding accounts of the Other Project Trust and Retention Account (if any) and of the trust and retention accounts of the other Co-Issuers, and to prepay the Rupee Loan(s).

(14) Distribution Account:

- *Deposits:* Deposits into this account comprise amounts transferred from the Surplus Account.

- *Withdrawals:* To fund shortfalls in the accounts listed in paragraphs 2, 4, 5, 6, 7, 8 and 9 above and the corresponding accounts of the Other Project Trust and Retention Account (if any) and of the trust and retention accounts of the other Co-Issuers and to make any payments which are restricted under the covenant described under the caption "– *Certain Covenants – Restricted Payments*" and are restricted payments (as defined under the Rupee Loan Agreements) and/or payments towards transactions that do not violate the terms of the Indenture or the Rupee Loan Agreements and related financing documents.

(15) Compensation Account:

- *Deposits:* Insurance proceeds, proceeds of disposal of assets, compensation for expropriation of assets, damages and termination payments made to the relevant Co-Issuer under any project documents (excluding any amounts from the enforcement of the Collateral and the Permitted Collateral Liens).

- *Withdrawals:* For payment of penalties and liquidated damages payable by the relevant Co-Issuer under its project documents and for repairs and replacements etc. of the assets of that Co-Issuer.

(16) Enforcement Proceeds Account:

- *Deposits:* Proceeds from enforcement of Collateral, the Parent Guarantee, the Guarantees and the Permitted Collateral Liens and/or guarantees issued in respect of the Rupee Loans or Permitted Pari Passu Secured Indebtedness.

- *Withdrawals:* For application in accordance with the Security Sharing Agreement.

The Trustee is not a party to the Trust and Retention Account Agreements. The Trust and Retention Account Agreements will not be designated as a "Collateral Document". As such, the Trust and Retention Account Agreement may be terminated and the terms of the Trust and Retention Account Agreements may be amended, modified or waived and the account bank may be replaced without the consent of the Trustee or any of the Holders, other than such changes that would adversely impact the priority of payments with respect to the Notes. The Trust and Retention Account Agreements may be amended in respect of any Permitted Pari Passu Secured Indebtedness which will have the same priority of payments as the Notes without the consent of the Trustee or any of the Holders.

The Co-Issuers shall, on a joint and several basis, create an interest service reserve in accordance with the terms of the Trust and Retention Account Agreements such that the balance in such accounts is collectively an amount no less than the interest payable on the Notes (calculated based on the Dollar Equivalent as of the Original Issue Date) and the Existing Senior Indebtedness during a given semi-annual period. If the amounts in such accounts are utilized in accordance with the terms of the Trust and Retention Account Agreements, the required balance shall be built up in such accounts in the manner set out in the Trust and Retention Account Agreements.

Further Issues

Subject to the covenants described below and in accordance with the terms of the Indenture, the Co-Issuers may, from time to time, without notice to or the consent of the Holders, create and issue Additional Notes having the same terms and conditions as the Notes (including the benefit of the Guarantees) in all respects (or in all respects except for the issue date, the issue price and the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions) so that such Additional Notes may be consolidated and form a single class with the previously outstanding Notes and vote together as one class on all matters with respect to the Notes; provided that the issuance of any such Additional Notes shall then be permitted under the covenant described under "– *Certain Covenants – Indebtedness and Preferred Stock*" and the other provisions of the Indenture.

In addition, the issuance of any Additional Notes by the Co-Issuers will be subject to the following conditions:

(1) all obligations with respect to the Additional Notes shall be guaranteed under the Indenture and the Guarantees to the same extent and on the same basis as the Notes outstanding on the date the Additional Notes are issued;

(2) the Parent Guarantor and the Co-Issuers shall have delivered to the Trustee an Officer's Certificate confirming that the issuance of the Additional Notes complies with the Indenture and is permitted by the Indenture; and

(3) the Parent Guarantor and the Co-Issuers shall have delivered to the Trustee one or more Opinions of Counsel confirming, among other things, that the issuance of the Additional Notes does not conflict with applicable law.

Trustee and Agents for the Notes

Citicorp International Limited is to be appointed as Trustee (the "Trustee"), and Citibank, N.A., London Branch is to be appointed as paying agent (the "Paying Agent"), transfer agent (the "Transfer Agent") and registrar (the "Registrar" and together with the Paying Agent and Transfer Agent, the "Agents") under the Indenture. The Co-Issuers may change the Paying Agent, Transfer Agent or Registrar without prior notice to the Holders, and the Parent Guarantor or any of the Co-Issuers, may act as paying agent, transfer agent and/or registrar.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the provisions of the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Co-Issuers will not be required to transfer or exchange any Note selected for redemption. Also, no Co-Issuer will be required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

Optional Redemptions

At any time prior to March 12, 2021, the Co-Issuers may redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes plus the Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the applicable redemption date. Neither the Trustee nor any of the Agents shall be responsible for verifying or calculating the Applicable Premium.

At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of Equity Interests of the Parent Guarantor in an Equity Offering at a redemption price of 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date; provided that at least 60.0% of the aggregate principal amount of the Notes issued on the Original Issue Date (excluding Notes held by the Parent Guarantor and its Affiliates) remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

At any time prior to March 12, 2021, the Co-Issuers may redeem up to 40.0% of the aggregate principal amount of the Notes with the net cash proceeds from an INVIT Offering at a redemption price of 106.67% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date; *provided that* at least 60.0% of the aggregate principal amount of the Notes issued on the Original Issue Date (excluding Notes held by the Parent Guarantor and its Affiliates) remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related INVIT Offering.

At any time on or after March 12, 2021 the Co-Issuers may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below, plus accrued and unpaid interest, if any, to (but not including) the applicable redemption date, if redeemed during the periods set forth below:

Period	Redemption Price
March 12, 2021 to March 11, 2022	105.0025 %
March 12, 2022 to March 11, 2023	103.3350 %
March 12, 2023 to December 11, 2023	101.6675 %
December 12, 2023 and thereafter	100.0 %

The Co-Issuers will give not less than 30 days' nor more than 60 days' notice of any redemption. If less than all of the Notes are to be redeemed, the Notes for redemption will be selected as follows:

(1) if the Notes are listed on any securities exchange, in compliance with the requirements of the principal securities exchange on which the Notes are then traded or if the Notes are held through clearing systems, in compliance with the requirements of the clearing systems; or

(2) if the Notes are not listed on any securities exchange or held through any clearing system, on a pro rata basis, by lot or by such other method as the Trustee in its sole and absolute discretion deems fair and appropriate unless otherwise required by law.

However, no Note of US$200,000 in principal amount or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

In connection with any redemption of Notes, any such redemption or notice may, at the Co-Issuers' discretion, be subject to one or more conditions precedent. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Co-Issuers' discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed.

Repurchase of Notes Upon a Change of Control Triggering Event

Not later than 30 days following a Change of Control Triggering Event, the Co-Issuers will make an Offer to Purchase all outstanding Notes (a "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the Offer to Purchase Payment Date (as defined in clause (2) of the definition of "Offer to Purchase").

The Co-Issuers will agree in the Indenture that, following a Change of Control, they will timely repay all Indebtedness or obtain consents as necessary under or terminate, agreements or instruments that would otherwise prohibit a Change of Control Offer required to be made pursuant to the Indenture. Notwithstanding this agreement of the Co-Issuers, it is important to note that if the Co-Issuers are unable to repay (or cause to be repaid) all of the Indebtedness, if any, that would prohibit the repurchase of the

Notes or are unable to obtain the requisite consents of the holders of such Indebtedness, or terminate any agreements or instruments that would otherwise prohibit a Change of Control Offer, they would continue to be prohibited from purchasing the Notes. In that case, the Co-Issuers' failure to purchase tendered Notes would constitute an Event of Default.

Future debt of the Co-Issuers may also (1) prohibit the Co-Issuers from purchasing Notes in the event of a Change of Control Triggering Event; (2) provide that a Change of Control Triggering Event is a default; or (3) require repurchase of such debt upon a Change of Control Triggering Event. Moreover, the exercise by the Holders of their right to require the Co-Issuers to purchase the Notes could cause a default under other Indebtedness, even if the Change of Control Triggering Event itself does not, due to the financial effect of the purchase on the Co-Issuers. The Co-Issuers' ability to pay cash to the Holders following the occurrence of a Change of Control Triggering Event may be limited by the Co-Issuers' then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "*Risk Factors – Risks Related to the Notes and the Collateral – The Co-Issuers may be unable to redeem the Notes as required upon a Change of Control Triggering Event.*"

To the extent that the provisions of any securities laws or regulations of any jurisdiction conflict with the Change of Control provisions of the Indenture, the Co-Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

The Co-Issuers will not be required to make a Change of Control Offer following a Change of Control Triggering Event if a third-party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Co-Issuers and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control Triggering Event, conditional upon such Change of Control Triggering Event, if a definitive agreement is in place for the Change of Control Triggering Event at the time of making of the Change of Control Offer.

The definition of Change of Control includes a phrase relating to the sale of "all or substantially all" the assets of the Co-Issuers. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder to require the Co-Issuers to repurchase such Holder's Notes as a result of a sale of less than all the assets of the Co-Issuers to another person or group may be uncertain and will depend upon particular facts and circumstances. As a result, there may be uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Co-Issuers has occurred.

Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the Holders to require that the Co-Issuers purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

Any redemption of the Notes prior to their stated maturity may require the prior approval of the RBI or an Authorized Dealer Bank, as the case may be, under applicable RBI guidelines, and such approval may not be forthcoming.

No Mandatory Redemption of Sinking Fund; Open Market Purchases

There will be no mandatory redemption or sinking fund payments for the Notes. Each of the Co-Issuers and its Affiliates may, at their discretion, at any time from time to time purchase the Notes in the open market or otherwise.

Additional Amounts

All payments by or on behalf of the Co-Issuers, the Guarantors or the Parent Guarantor of principal of, and premium (if any), and interest on the Notes or under the Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Co-Issuers, an applicable Guarantor, the Parent Guarantor or a Surviving Person is organized or resident for tax purposes or any political subdivision or taxing authority thereof or therein (each, as applicable, a "Relevant Taxing Jurisdiction") or any jurisdiction through which payment is made by or on behalf of the Co-Issuers, a Guarantor, the Parent Guarantor or any Surviving Person or any political subdivision or taxing authority thereof or therein (together with the Relevant Taxing Jurisdictions, the "Relevant Jurisdictions"), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. If any such withholding or deduction is so required, the Co-Issuers, the applicable Guarantor or the Parent Guarantor, as the case may be, will pay such additional amounts ("Additional Amounts") as will result in receipt by each Holder of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

(1) for or on account of:

(a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(i) the existence of any present or former connection between the Holder or beneficial owner of such Note or Guarantee, as the case may be, and the Relevant Jurisdiction other than merely holding such Note or the receipt of payments thereunder or under a Guarantee, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(ii) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period; or

(iii) the failure of the Holder or beneficial owner to comply with a timely request of the Co-Issuers or any Guarantor addressed to the Holder to provide certification or information concerning such Holder's or beneficial owner's nationality, residence, identity or connection with any Relevant Jurisdiction or satisfy other reporting requirements, if and to the extent that due and timely compliance with such request would have reduced or eliminated any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder;

(b) any taxes, duties, assessments or governmental charges that are imposed otherwise than by deduction or withholding from payments made under or with respect to the Notes or any Guarantee;

(c) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge;

(d) any withholding or deduction pursuant to Section 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended (or any amended or successor versions of such Sections) ("FATCA"), any regulations or other official guidance thereunder, any agreement entered into in connection with FATCA, or any law, regulations or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement;

(e) any tax, duty, assessment or other governmental charge to the extent such tax, duty, assessment or other governmental charge results from the presentation of the Note (where presentation is required) for payment and the payment can be made without such withholding or deduction by the presentation of the Note for payment elsewhere; or

(f) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b), (c), (d) and (e); or

(2) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

The Co-Issuers will (i) make such withholding or deduction and (ii) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law. The Co-Issuers will upon request, make reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any taxes so deducted or withheld from the Relevant Jurisdiction imposing such taxes. Upon request, the Co-Issuers will furnish to Holders, within 60 days after the date the payment of any taxes so deducted or withheld is due pursuant to applicable law, either certified copies of tax receipts evidencing such payment or, if such receipts are not obtainable, other evidence of such payments.

At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Co-Issuers will be obligated to pay Additional Amounts with respect to such payment, the Co-Issuers will deliver to the Trustee an Officer's Certificate stating the fact that such Additional Amounts will be payable and the amounts so payable and will set forth such other information necessary to enable the Paying Agent to pay such Additional Amounts to the Holders on such payment date.

In addition, the Co-Issuers will pay any stamp, issue, registration, documentary or other similar taxes and duties (including interest and penalties) payable in any Relevant Jurisdiction in respect of the creation, issue, offering, execution or enforcement of the Notes, or any documentation with respect thereto.

Whenever there is mentioned in any context in this "Description of the Notes" the payment of principal of, and any premium or interest on, any Note or under any Guarantee, such mention shall be deemed to include payment of Additional Amounts provided for in the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Redemption for Taxation Reasons

The Notes may be redeemed, at the option of the Co-Issuers or the Parent Guarantor, as a whole but not in part, upon giving not less than 30 days' nor more than 60 days' notice to the Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any Additional Amounts), if any, to the date fixed by the Co-Issuers or the Parent Guarantor, as the case may be, for redemption (the "Tax Redemption Date") if, as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations, protocols or rulings promulgated thereunder) of a Relevant Jurisdiction affecting taxation; or

(2) any change in, or amendment to, an official position regarding the application, administration or interpretation of such laws, treaties, regulations, protocols or rulings (including a holding, judgment or order by a court of competent jurisdiction),

which change or amendment is formally announced and becomes effective on or after the Original Issue Date with respect to any payment due or to become due under the Notes, the Indenture or a Guarantee, the Co-Issuers, a Guarantor or the Parent Guarantor, as the case may be, is, or on the next Interest Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the taking of reasonable measures by the Co-Issuers, such Guarantor or the Parent Guarantor, as the case may be; *provided that* changing the jurisdiction of a Co-Issuer, a Guarantor or the Parent Guarantor is not a reasonable measure for the purposes of this section; *provided further that* no such notice of redemption will be given earlier than 90 days prior to the earliest date on which a Co-Issuer, a Guarantor or the Parent Guarantor, as the case may be, would be obligated to pay such Additional Amounts if a payment in respect of the Notes were then due.

Prior to the mailing of any notice of redemption of the Notes pursuant to the foregoing, the Co-Issuers, a Guarantor or the Parent Guarantor, as the case may be, will deliver to the Trustee at least 30 days but not more than 60 days before the Tax Redemption Date:

(1) an Officer's Certificate stating that such change or amendment referred to in the prior paragraph has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Co-Issuers, such Guarantor or the Parent Guarantor, as the case may be, by taking reasonable measures available to it; and

(2) an Opinion of Counsel, or an opinion of a tax consultant of nationally recognized standing, with respect to tax matters of the Relevant Jurisdiction, stating that the requirement to pay such Additional Amounts results from such change or amendment referred to in the prior paragraph.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above (and will not be responsible for any loss occasioned by acting in reliance on such certificate or opinion) in which event it will be conclusive and binding on the Holders. The Trustee has no duty to investigate or verify such certificate or opinion.

Any Notes that are redeemed under this "Redemption for Taxation Reasons" section will be cancelled.

Certain Covenants

Restricted Payments

Each of the Co-Issuers will not, directly or indirectly:

(1) declare or pay any dividend or make any distribution on or with respect to any of its Capital Stock (other than dividends or distributions payable solely in shares of its Capital Stock (other than Disqualified Stock or Preferred Stock) or in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than any of the other Co-Issuers;

(2) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock (including options, warrants or other rights to acquire such shares of Capital Stock) of any of the Co-Issuers, or any direct or indirect parent of any of the Co-Issuers, held by Persons other than any of the Co-Issuers;

(3) make any voluntary or optional principal payment (prior to the Stated Maturity thereof) or any voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of Indebtedness that is subordinated in right of payment to the Notes or the Guarantees ("Subordinated Indebtedness") or of Subordinated Shareholder Debt, including any accrued interest thereon, excluding any intercompany Indebtedness between or among the Co-Issuers; or

(4) make any Investment, other than a Permitted Investment;

(the payments or any other actions described in clauses (1) through (4) above being collectively referred to as "Restricted Payments") unless:

(i) no Default or Event of Default has occurred and is continuing or would occur as a result of such Restricted Payment;

(ii) such Restricted Payment is undertaken only after the reviewed combined financial statements of the Restricted Group for the semi-annual period ending September 30, 2019 are available;

(iii) at the time of such Restricted Payment, (x) the required balance in each of the Annual Prepayment Accounts has been maintained and/or (y) the amounts which were required to be maintained in such Annual Prepayment Accounts have been utilized to prepay the applicable lenders, in each case, in accordance with the terms of the Trust and Retention Account Agreements;

(iv) in the case of any Restricted Payment that is undertaken prior to any INVIT Offering, such Restricted Payment is limited to (x) the repayment of Subordinated Indebtedness, including Designated Subordinated Working Capital Parent Loans (including any accrued interest thereon), (y) the repayment of Subordinated Shareholder Debt (including any accrued interest thereon) and (z) Investments in the Parent Guarantor or any other Affiliate of any of the Co-Issuers;

(v) the Parent Guarantor has delivered an Officer's Certificate to the Trustee, within 15 Business Days of the applicable interest payment date under each of the Parent Guarantor Loans, confirming that interest which was due and payable to the Co-Issuers from the Parent Guarantor as of the immediately preceding interest payment date in relation to each Parent Guarantor Loan has been paid in full to the Co-Issuers in cash;

(vi) in relation to any Restricted Payment made before the audited combined financial statements of the Restricted Group for the year ending March 31, 2020 are available, after giving pro forma effect to the Incurrence of (x) the Notes and (y) any Indebtedness Incurred under clause (1)(c) under the covenant "– Indebtedness and Preferred Stock" and in either case the application of the proceeds thereof (as if the Notes and any such Indebtedness had been Incurred, and the proceeds had been applied, as of the first date of the applicable trailing two semi-annual periods), for the most recent two consecutive semi-annual periods (for which combined financial statements of the Restricted Group are available which, in the case of (i) any semi-annual period ending on September 30 in any year, shall be reviewed or audited, and (ii) any annual period ending on March 31 in any year, shall be audited), taken as one annual period, the Debt Service Coverage Ratio is at least 1.3 to 1.0; and

(vii) in relation to any Restricted Payment made after the audited combined financial statements of the Restricted Group for the year ending March 31, 2020 are available, for the most recent two consecutive semi-annual periods (for which combined financial statements of the Restricted Group are available which, in the case of (i) any semi-annual period ending on September 30 in any year, shall be reviewed or audited, and (ii) any annual period ending on March 31 in any year, shall be audited), taken as one annual period, the Debt Service Coverage Ratio is at least 1.3 to 1.0.

The foregoing provision will not be violated by reason of:

(1) the payment of any dividend or the redemption of any Capital Stock within 90 days after the related date of declaration or call for redemption if, at said date of declaration or call for redemption, such payment or redemption would comply with the preceding paragraph;

(2) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of any of the Co-Issuers with the net cash proceeds of, or in exchange for, a substantially concurrent Incurrence of Indebtedness issued in exchange for, or

the net proceeds of which are used to, refinance or refund, replace, exchange, renew, repay, redeem, defease, discharge or extend, such Subordinated Indebtedness; *provided that* such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes and the Guarantees, at least to the same extent that the Subordinated Indebtedness to be refinanced is subordinated to the Notes and the Guarantees;

(3) the redemption, repurchase or other acquisition of Capital Stock of any of the Co-Issuers (or options, warrants or other rights to acquire such Capital Stock) in exchange for, or out of the net cash proceeds of a substantially concurrent capital contribution or sale of, shares of Capital Stock (other than Disqualified Stock) of such Co-Issuer (or options, warrants or other rights to acquire such Capital Stock);

(4) the making of Restricted Payments in an aggregate amount not to exceed the net cash proceeds of a substantially concurrent capital contribution or sale of shares of Capital Stock (other than Disqualified Stock) or Redeemable Preference Shares (other than Disqualified Stock) of a Co-Issuer (or options, warrants or other rights to acquire such Capital Stock) *provided that* such Restricted Payment is undertaken by such Co-Issuer no later than 30 days from the date of such capital contribution or sale of Capital Stock or Redeemable Preference Shares;

(5) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of any of the Co-Issuers in exchange for, or out of the net cash proceeds of, a substantially concurrent capital contribution or sale of, shares of Capital Stock (other than Disqualified Stock) of any of the Co-Issuers (or options, warrants or other rights to acquire such Capital Stock);

(6) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Shareholder Debt of any of the Co-Issuers, in exchange for, or out of the net cash proceeds of, a substantially concurrent incurrence of Subordinated Shareholder Debt;

(7) dividends by any of the Co-Issuers to fund the redemption, repurchase or other acquisition of Capital Stock of the Parent Guarantor from employees, former employees, directors or former directors of the Parent Guarantor or any of its Subsidiaries (or permitted transferees of such persons), or their authorized representatives upon the death, disability or termination of employment of such employees or directors, in an aggregate amount not to exceed US$1.0 million (or the Dollar Equivalent thereof) in any twelve-month period;

(8) payments of cash, dividends, distributions, advances or other Restricted Payments to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants, (ii) the conversion or exchange of capital stock of any such Person, or (iii) stock dividends, splits or business combinations;

(9) repayment of any outstanding amount of Designated Subordinated Working Capital Parent Loans (including any accrued interest) (i) in accordance with the terms of the Trust and Retention Account Agreements, *provided that* the Guarantee by the Parent Guarantor has been released in accordance with the Indenture and/or (ii) with proceeds from Permitted Refinancing Indebtedness;

(10) Restricted Payments of up to the aggregate amount of the Restricted Payments described under "Use of Proceeds" in the Offering Memorandum (excluding the Parent Guarantor Loans) and the amount of any other Indebtedness Incurred under clause (1)(c) under the covenant "– Indebtedness and Preferred Stock"; and

(11) the making of any other Restricted Payment in an aggregate amount, together with all other Restricted Payments made under this clause (11), not to exceed US$30.0 million (or the Dollar Equivalent thereof); *provided that*, in the case of this clause (11), no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the applicable Co-Issuer pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this covenant will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such assets or securities must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of recognized international standing (or a local affiliate thereof) if the Fair Market Value exceeds US$15.0 million (or the Dollar Equivalent thereof).

Indebtedness and Preferred Stock

(1) Each of the Co-Issuers will not Incur any Indebtedness and each of the Co-Issuers will not issue any Preferred Stock; *provided, however, that* the Co-Issuers may Incur (and, in the case of clause (1)(l) below, issue) each and all of the following ("Permitted Indebtedness"):

(a) Indebtedness of the Co-Issuers under the Notes (excluding Additional Notes, if any) and under the Guarantees;

(b) Indebtedness and Preferred Stock of any of the Co-Issuers outstanding on the Original Issue Date (excluding Indebtedness permitted under clause (d) below);

(c) Indebtedness Incurred by any of the Co-Issuers no later than the first anniversary of the Original Issue Date in an amount not exceeding Rs.37.8 billion (or the foreign currency equivalent thereof) *less* the principal amount of (x) the Notes issued on the Original Issue Date and (y) the Existing Senior Indebtedness; *provided, that*, (i) such Indebtedness (other than Additional Notes and Original Issue Date Undrawn Indebtedness) does not mature or require any amortization and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or repurchase which is contingent upon events or circumstance), and in whole or in part, prior to the earlier of (I) the final Stated Maturity of the Notes and (II) the first date on which there are no Notes outstanding; and (ii) if the obligee of any such Indebtedness is the Parent Guarantor, such Indebtedness must be Subordinated Indebtedness;

(d) Indebtedness of any of the Co-Issuers owed to any of the other Co-Issuers; *provided, however, that* any subsequent transfer of such Indebtedness to a Person other than another Co-Issuers shall be deemed to constitute an Incurrence of such Indebtedness not permitted by this clause (d), and such Indebtedness must be unsecured and expressly subordinated in right of payment to the Notes;

(e) Indebtedness of any of the Co-Issuers ("Permitted Refinancing Indebtedness") issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, redeem, defease, discharge or extend (collectively, "refinance" and "refinances" and "refinanced" shall have a correlative meaning), then outstanding Indebtedness (or Indebtedness that is no longer outstanding (such Indebtedness which is no longer outstanding, the "Previously Refinanced Indebtedness") but that is refinanced substantially concurrently with but in any case before the incurrence of such Permitted Refinancing Indebtedness) Incurred under any of clauses (1)(a), (b), (c), (e) or (k) and any refinancings thereof in an amount not to exceed the amount so refinanced (plus premiums, accrued interest, fees and expenses); *provided that,*

(i) the Indebtedness to be refinanced is fully and irrevocably repaid no later than 30 days after the Incurrence of the Permitted Refinancing Indebtedness;

(ii) Indebtedness the proceeds of which are used to refinance the Notes, or to refinance Indebtedness that is *pari passu* with, or subordinated in right of payment to, the Notes (other than Indebtedness Incurred under Third Party Credit Facilities the proceeds of which are used to refinance Indebtedness Incurred under Designated

Subordinated Working Capital Parent Loans), will only be permitted under this clause (1)(e) if (x) in case the Notes are refinanced in part, or the Indebtedness to be refinanced is *pari passu* with the Notes, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, ranks *pari passu* with, or subordinate in right of payment to, the remaining Notes, or (y) in case the Indebtedness to be refinanced is subordinated in right of payment to the Notes, such new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which such new Indebtedness is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes, at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes; and

(iii) such new Indebtedness (other than Indebtedness Incurred under Third Party Credit Facilities the proceeds of which are used to refinance Indebtedness Incurred under Designated Subordinated Working Capital Parent Loans), determined as of the date of Incurrence of such new Indebtedness, does not mature prior to the earlier of the Stated Maturity of the Indebtedness to be refinanced and the Stated Maturity of the Notes, and the Average Life of such new Indebtedness is at least equal to the remaining Average Life of the Indebtedness to be refinanced or the remaining Average Life of the Notes;

(f) Indebtedness Incurred by any of the Co-Issuers pursuant to Hedging Obligations entered into for the purpose of protecting any of the Co-Issuers from fluctuations in interest rates, currencies or commodity prices and not for speculation;

(g) Indebtedness Incurred by any of the Co-Issuers constituting reimbursement obligations with respect to workers' compensation claims or self-insurance obligations or bid, performance, surety or appeal bonds or payment obligations in connection with insurance premiums or similar obligations, security deposits and bank overdrafts (and letters of credit in connection with or in lieu of each of the foregoing) in the ordinary course of business (in each case other than for an obligation for borrowed money);

(h) Indebtedness Incurred by any of the Co-Issuers constituting reimbursement obligations with respect to letters of credit or trade guarantees issued in the ordinary course of business to the extent that such letters of credit or trade guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 60 days following receipt by such Co-Issuer of a demand for reimbursement;

(i) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price, earn-outs or similar obligations, or from guarantees or letters of credit, surety bonds or performance bonds securing any obligation of any of the Co-Issuers Incurred in connection with the acquisition or disposition of any business or assets (other than guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business or assets for the purpose of financing such acquisition); *provided that* the maximum aggregate liability of a Co-Issuer in respect of all such Indebtedness Incurred in connection with a disposition shall at no time exceed the gross proceeds actually received by such Co-Issuer from the disposition of such business or assets;

(j) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds; *provided, however, that* such Indebtedness is extinguished within five (5) Business Days of Incurrence;

(k) Indebtedness Incurred by any of the Co-Issuers under (x) Third Party Credit Facilities and/or (y) Designated Subordinated Working Capital Parent Loans, in either case for working capital purposes of any of the Co-Issuers; *provided that* the aggregate principal amount outstanding at any time under Third Party Credit Facilities and Designated Subordinated Working Capital Parent Loans does not exceed US$30.0 million (or the Dollar Equivalent thereof);

(l) Preferred Stock (other than Disqualified Stock) which is issued to the Parent Guarantor or any other Affiliate of any Co-Issuer;

(m) guarantees by any of the Co-Issuers of Indebtedness of any other Co-Issuer that was permitted to be Incurred by another provision of this covenant; *provided that* if the Indebtedness being guaranteed is subordinated to or pari passu with the Notes or a Guarantee, then the guarantee shall be subordinated or pari passu, as applicable, to the same extent as the Indebtedness guaranteed; and

(n) Indebtedness Incurred by any of the Co-Issuers to the extent the net cash proceeds thereof are promptly and irrevocably deposited with the Trustee to defease or to satisfy and discharge the Notes as described under *"– Legal Defeasance and Covenant Defeasance" or "– Satisfaction and Discharge*."

For purposes of determining compliance with this covenant, if an item of Indebtedness meets the criteria of more than one type of Permitted Indebtedness, the Co-Issuers, in their sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness or any portion thereof.

The accrual of interest, the accretion or amortization of original issue discount and the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant*; provided that,* in each such case, the amount of any such accrual, accretion, amortization or payment is included in the Combined Interest Expense of the Restricted Group as accrued.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that may be Incurred pursuant to this covenant will not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the Dollar Equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred (or first committed, in the case of revolving credit debt); provided that if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency than the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Transactions with Shareholders and Affiliates

Each of the Co-Issuers will not enter into any transaction or series of related transactions involving aggregate consideration in excess of US$2.0 million (or the Dollar Equivalent thereof) with (a) any holder of 10.0% or more of any class of Capital Stock of any of the Co-Issuers or (b) any Affiliate of any of the Co-Issuers (each, an "Affiliate Transaction"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to such Co-Issuer than those that would have been obtained in a comparable arm's-length transaction by such Co-Issuer with a Person that is not such a holder or Affiliate of such Co-Issuer; and

(2) the Parent Guarantor delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$5.0 million (or the Dollar Equivalent thereof), a Board Resolution set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this covenant and such Affiliate Transactions has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$15.0 million (or the Dollar Equivalent thereof), an opinion issued by an accounting, appraisal or investment banking firm of internationally recognized standing (or a local affiliate thereof) stating that either (i) such Affiliate Transaction is, or series of related Affiliate Transactions are, fair to the applicable Co-Issuer from a financial point of view or (ii) the terms of such Affiliate Transaction is, or series of related Affiliate Transactions are, not materially less favorable to such Co-Issuer than those that would have been obtained in a comparable arm's length transaction by such Co-Issuer with a Person that is not such a holder or Affiliate of such Co-Issuer.

The foregoing limitation does not limit, and will not apply to:

(1) directors' fees, indemnification, expense reimbursement and similar arrangements (including the payment of directors and officers insurance premiums), employee salaries, bonuses, employment agreements and arrangements, compensation or employee benefit arrangements, including stock options or legal fees and fees and compensation paid to consultants and agents;

(2) transactions between or among any member of the Restricted Group;

(3) any Restricted Payments permitted or not prohibited by the "– *Restricted Payments*" covenant and any Permitted Investments;

(4) any transaction undertaken by any of the Co-Issuers whereby pro forma for such transaction, there is at least US$1.00 (or the Dollar Equivalent thereof) in each of the Surplus Accounts and is otherwise permitted under the Indenture and the Trust and Retention Account Agreements;

(5) transactions pursuant to agreements in effect on the Original Issue Date, or any amendment, modification, extension, renewal or replacement thereof, so long as such amendment, modification, extension, renewal or replacement is on terms that are substantially similar to or not more disadvantageous to the applicable Co-Issuer than the original agreement in effect on the Original Issue Date;

(6) transactions with a Person that is an Affiliate solely because the Parent Guarantor, directly or indirectly, owns Capital Stock in, or controls, such Person; provided that no Affiliate of the Parent Guarantor (other than any of the Co-Issuers) owns Capital Stock in such Person;

(7) any payments or other transactions pursuant to tax sharing arrangements between any of the Co-Issuers and any other Person with which such Co-Issuer files a consolidated tax return or with which such Co-Issuer is part of a consolidated group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation;

(8) any agreement between any Person and an Affiliate of such Person existing at the time such Person is acquired by or merged into any Co-Issuer; *provided that* such agreement was not entered into in contemplation of such acquisition or merger;

(9) any incurrence of, or amendment to, any Subordinated Shareholder Debt (so long as in the case of any amendment, such Subordinated Shareholder Debt continues to satisfy the requirements set forth under the definition "Subordinated Shareholder D*ebt*" after giving effect thereto);

(10) transactions with customers, clients, contractors, purchasers or suppliers of goods (including turbines and other equipment or property) or services (including administrative, cash management, legal and regulatory, engineering, technical, financial, accounting, procurement, marketing, insurance, labor, management, operation and maintenance, power supply and other services) or insurance or lessors or lessees or providers of employees or other labor or property, in each case in the ordinary course of business and that are fair or on terms at least as favorable as arm's length as determined in good faith by the Board of Directors of the relevant Co-Issuer or the Parent Guarantor;

(11) any issuance of Equity Interests (other than Disqualified Stock) of any Co-Issuer; and

(12) loans or advances to, or guarantees of obligations of, directors, promoters, officers or employees of any of the Co-Issuers not to exceed US$1.0 million (or the Dollar Equivalent thereof) in the aggregate at any one time outstanding.

Liens

(1) The Parent Guarantor and each of the Co-Issuers will not, directly or indirectly, incur, assume or permit to exist any Liens on the Collateral, other than Permitted Collateral Liens.

(2) Each of the Co-Issuers will not incur, assume or permit to exist any Liens (other than Permitted Liens) on existing or future assets of the Co-Issuers other than Collateral, unless the Notes are equally and ratably secured.

Sale and Leaseback Transactions

The Co-Issuers will not enter into any Sale and Leaseback Transaction; *provided that* the Co-Issuers may enter into a Sale and Leaseback Transaction if:

(1) the Restricted Group could have (1) incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such Sale and Leaseback Transaction under the covenant described under the caption "– Indebtedness and Preferred Stock" and (2) incurred a Lien to secure such Indebtedness pursuant to the covenant described under the caption "– Liens," in which case, the corresponding Indebtedness and Lien will be deemed incurred pursuant to those provisions;

(2) the gross cash proceeds of such Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and

(3) the transfer of assets in such Sale and Leaseback Transaction is permitted by, and the Co-Issuers apply the proceeds of such Sale and Leaseback Transaction in compliance with, the covenant described under the caption "– Asset Sales."

Asset Sales

Each of the Co-Issuers will not consummate any Asset Sale unless:

(a) no Default will have occurred and be continuing or would occur as a result of such Asset Sale;

(b) the consideration received is at least equal to the Fair Market Value of the assets sold or disposed of;

(c) in the case of an Asset Sale that constitutes an Asset Disposition, the Combined Leverage Ratio does not exceed 5.5 to 1.0; and

(d) at least 75% of the consideration received consists of cash, Temporary Cash Equivalents or Replacement Assets, or any combination thereof.

For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities as shown on any of the Co-Issuers' most recent balance sheet (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Guarantee) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that irrevocably and unconditionally releases the Co-Issuer from further liability; and

(B) any securities, notes or other obligations received by the Co-Issuer from such transferee that are promptly, but in any event within 30 days of closing, converted by the Co-Issuer into cash, to the extent of the cash received in that conversion.

Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Co-Issuer may apply such Net Cash Proceeds to:

(1) permanently repay any Senior Indebtedness of any of the Co-Issuers (and, if such Senior Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto) in each case owing to a Person other than any of the Co-Issuers;

(2) acquire properties and assets that replace the properties and assets that were the subject of such Asset Sale or properties or assets (other than current assets) that will be used in the Permitted Business ("Replacement Assets"); or

(3) make an Investment in cash or Temporary Cash Equivalents pending application of such Net Cash Proceeds as set forth in clause (1) or (2) above.

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in the immediately preceding paragraph will constitute "Excess Proceeds." Excess Proceeds of less than US$5.0 million (or the Dollar Equivalent thereof) will be carried forward and accumulated. Within 10 days after accumulated Excess Proceeds equal or exceed US$5.0 million (or the Dollar Equivalent thereof), the Co-Issuers must make an Offer to Purchase Notes having a principal amount equal to:

(i) accumulated Excess Proceeds, multiplied by

(ii) a fraction (x) the numerator of which is equal to the outstanding principal amount of the Notes and (y) the denominator of which is equal to the outstanding principal amount of the Notes and all *pari passu* Indebtedness similarly required to be repaid, redeemed or tendered for in connection with the Asset Sale, rounded down to the nearest US$1,000.

The offer price in any such Offer to Purchase will be equal to 100% of the principal amount plus accrued and unpaid interest to (but not including) the date of purchase, and will be payable in cash.

To the extent that the provisions of any securities laws or regulations of any jurisdiction conflict with the Offer to Purchase provisions of the Indenture, the Co-Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under the Asset Sales provisions of the Indenture by virtue of such compliance.

If any Excess Proceeds remain after consummation of an Offer to Purchase, the Co-Issuers may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and any other *pari passu* Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Offer to Purchase exceeds the amount of Excess Proceeds, the Notes and such other *pari passu* Indebtedness will be purchased on a pro rata basis based on the principal amount of Notes and such other *pari passu* Indebtedness tendered (or required to be prepaid or redeemed). Upon completion of each Offer to Purchase, the amount of Excess Proceeds will be reset at zero.

Merger, Consolidation and Sale of Assets

None of the Co-Issuers will merge or consolidate with or into another Person, or sell all or substantially all of its assets taken as a whole, in one or more related transactions.

Business Activities

Each of the Co-Issuers will not engage in any business other than a Permitted Business.

Limitation on Subsidiaries

None of the Co-Issuers shall have any Subsidiaries.

Amendments to Parent Guarantor Loans

The Parent Guarantor and the Co-Issuers agree that no amendments that are adverse to any Co-Issuer and/or to any Noteholder shall be made to the terms of the Parent Guarantor Loans.

Parent Guarantor Undertaking for Residual Payment Obligations

The Parent Guarantor undertakes to provide such financial support to the Co-Issuers as may be required to enable the Co-Issuers to pay the Residual Payment Obligations in full and on time.

Parent Guarantor Undertaking for Residual Affiliate Payment Obligations

The Parent Guarantor undertakes to ensure that Affiliates which are obligees in relation to Residual Affiliate Payment Obligations will not call a default under the agreement or instrument pursuant to which the obligations of the Co-Issuers are evidenced, issued or remain outstanding.

Use of Proceeds

The Co-Issuers will not use the net proceeds from the sale of the Notes for any purpose other than (1) in the approximate amounts and for the purposes specified under the caption "– *Use of Proceeds*" in the Offering Memorandum, and (2) pending the application of all of such net proceeds in such manner, to invest the portion of such net proceeds not yet so applied in Temporary Cash Equivalents.

No Payments for Consent

None of the Co-Issuers will directly or indirectly pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or Notes in connection with an exchange offer, the Co-Issuers may exclude (a) in connection with an exchange offer, Holders or beneficial owners of the Notes that are not "qualified institutional buyers" as defined in Rule 144A under the Securities Act, and (b) in connection with any consent, waiver or amendment, Holders or beneficial owners of the Notes in any jurisdiction where the inclusion of such Holders or beneficial owners would require any Co-Issuer to (i) file a registration statement, prospectus or similar document or subject any Co-Issuer to ongoing periodic reporting or similar requirements under any securities laws (including but not limited to, the United States federal securities laws and the laws of the European Union or its member states), (ii) qualify as a foreign corporation or other entity as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (iii) generally consent to service of process in any such jurisdiction, or (iv) subject any Co-Issuer to taxation in any such jurisdiction if it is not otherwise so subject, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Co-Issuers in their sole discretion.

Government Approvals and Licenses; Compliance with Law

Each of the Co-Issuers will (1) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses; (2) preserve and maintain good and valid title to its properties and assets (including land-use rights); and (3) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on (a) the business, results of operations or prospects of the Restricted Group, taken as a whole, or (b) the ability of the Co-Issuers to perform their obligations under the Notes, the Guarantees, the Indenture or the Collateral Documents.

Anti-Layering

Each of the Co-Issuers will not Incur any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of such Co-Issuer unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the Guarantees, on substantially identical terms. This covenant does not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or Guarantee securing or in favor of some but not all of such Indebtedness or by virtue of some Indebtedness being secured on a junior priority basis.

Suspension of Certain Covenants

If on any date following the date of the Indenture, the Notes have a rating of Investment Grade from at least one of the Rating Agencies and no Default or Event of Default has occurred and is continuing (a "Suspension Event"), then, beginning on that day and continuing until such time, if any, at which the Notes cease to have a rating of Investment Grade from at least one of the Rating Agencies, the provisions of the Indenture summarized under the following captions will be suspended:

(1) "– Certain Covenants – Restricted Payments";

(2) "– Certain Covenants – Indebtedness and Preferred Stock";

(3) "– Certain Covenants – Sale and Leaseback Transactions";

(4) "– Certain Covenants – Asset Sales";

(5) "– Certain Covenants – Business Activities"; and

(6) "– Certain Covenants – Anti-Layering."

Such covenants will be reinstated and apply according to their terms as of and from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of any member of the Restricted Group properly taken in compliance with the provisions of the Indenture during the continuance of the Suspension Event. There can be no assurance that the Notes will ever achieve an Investment Grade Rating or that, if achieved, any such rating will be maintained.

Provision of Financial Statements and Reports

For so long as the Notes remain outstanding, the Parent Guarantor will provide to the Trustee and furnish to the Holders upon request, as soon as they are available but in any event not more than ten (10) calendar days after they are filed with the principal international recognized stock exchange on which the Parent Guarantor's Common Stock is at any time listed for trading, true and correct copies of any financial or other report in the English language (and a certified English translation of any financial or other report in any other language) filed with such exchange, *provided, however*, that if at any time the Common Stock of the Parent Guarantor is not listed for trading on an internationally recognized stock exchange and *provided, further*, that the Guarantee provided by the Parent Guarantor has not been released in accordance with the Indenture, the Parent Guarantor will file with the Trustee, in the English language (or accompanied by a certified English translation thereof),

(1) within 120 days after the end of the Parent Guarantor's fiscal year beginning with the first fiscal year ending after the Original Issue Date, an annual report containing the following information: (a) audited consolidated balance sheets of the Parent Guarantor as of the end of the two most recent fiscal years and audited consolidated statements of income and cash flow of the Parent Guarantor for the two most recent fiscal years, including footnotes to the financial statements and an audit report of a member firm of an internationally recognized accounting firm on the financial statements; and (b) an operating and financial review of the audited consolidated financial statements; and

(2) within 90 days after the end of the half-year period in each fiscal year of the Parent Guarantor beginning with the half-year period ending after the Original Issue Date, half-yearly reports containing (a) an unaudited consolidated balance sheet as of the end of such half-yearly period and unaudited condensed statements of income and cash flow for the most recent half-yearly period ending on the unaudited consolidated balance sheet date, and the comparable period in the prior year; and (b) an operating and financial review of the unaudited consolidated financial statements.

In addition, for so long as the Notes remain outstanding, any one of the Co-Issuers will provide to the Trustee the following reports, in the English language (or accompanied by a certified English translation):

(1) within 120 days after the end of the Restricted Group's fiscal year beginning with the first fiscal year ending after the Original Issue Date, an annual report containing the following information: (a) audited combined balance sheets of the Restricted Group as of the end of the two most recent fiscal years and audited combined statements of income and cash flow of the Restricted Group for the two most recent fiscal years, including footnotes to the financial statements and an audit report of a member firm of an internationally recognized accounting firm on the financial statements; and (b) an operating and financial review of the audited combined financial statements; and

(2) within 90 days after the end of the half-year period in each fiscal year of the Restricted Group beginning with the half-year period ending after the Original Issue Date, a half-year report containing (a) a reviewed combined balance sheet of the Restricted Group as of the end of such half-year period and reviewed combined statements of income and cash flow of the Restricted Group for the most recent half-year period ending on the unaudited combined balance sheet date, and the comparable period in the prior year; and (b) an operating and financial review of the reviewed combined financial statements.

In addition, for so long as any Note remains outstanding, any one of the Co-Issuers will provide to the Trustee (a) within 120 days after the close of each fiscal year, an Officer's Certificate stating the Combined Leverage Ratio and the Debt Service Coverage Ratio at the end of such fiscal year and showing in reasonable detail the calculation of such ratio with a certificate from the Restricted Group's external auditors verifying the accuracy and correctness of the calculation and arithmetic computation; *provided, however, that* such Co-Issuer shall not be required to provide such auditor certification if its external auditors refuse as a general policy to provide such certification; and (b) as soon as possible and in any event within 10 Business Days after the Parent Guarantor or any of the Co-Issuers becomes aware or should reasonably become aware of the occurrence of a Default or an Event of Default, an Officer's Certificate setting forth the details of the Default or Event of Default, and the action which the Co-Issuers propose to take with respect thereto.

All financial statements of (i) the Parent Guarantor will be prepared in accordance with Ind-AS as in effect on the date of such report or financial statement and on a consistent basis for the periods presented and (ii) the Restricted Group will be prepared in accordance with Ind-AS as modified by commonly used carve-out principles as in effect on the date of such report or financial statements and on a consistent basis for the periods presented; *provided, however, that* the financial statements and reports set forth in this covenant may, if applicable financial reporting standards change, present earlier periods on a basis that applied to such periods.

Events of Default and Remedies

Each of the following is an "**Event of Default**":

(1) default in the payment of principal on (or premium, if any, on), the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise and the continuance of any such failure for one (1) Business Day;

(2) default in the payment of interest on the Note when the same becomes due and payable and the continuance of any such failure for ten (10) Business Days;

(3) default in compliance with the covenant described under the caption "– *Certain Covenants – Merger, Consolidation and Sale of Assets*", or in respect of any of the Co-Issuers' obligations to make an offer to purchase upon a Change of Control Triggering Event or Asset Sale;

(4) any other default under the Indenture (other than a default specified in clauses (1), (2) or (3) above) and the continuance of any such default for a period of 60 consecutive days after written notice by the Trustee or the Holders of 25.0% or more in aggregate principal amount of the Notes is given to the Co-Issuers;

(5) with respect to any Indebtedness of the Co-Issuers having an outstanding principal amount of US$10.0 million (or the Dollar Equivalent thereof) or more, (a) an event of default causing the holder thereof to declare such Indebtedness to be due prior to its Stated Maturity and/or (b) the failure to make a principal payment when due (after giving effect to any grace period);

(6) the passage of 60 consecutive days following entry of a final judgment or order against any of the Co-Issuers that causes the aggregate amount for all such final judgments or orders outstanding and not paid, discharged or stayed to exceed US$10.0 million (or the Dollar Equivalent thereof) (exclusive of any amounts for which a solvent (to any of the Co-Issuers' best knowledge) insurance company has acknowledged liability for);

(7) an involuntary case or other proceeding commenced against any member of the Restricted Group seeking the appointment of a receiver or trustee and which remains undismissed and unstayed for 60 consecutive days; or an order for relief is entered under any bankruptcy or other similar law with respect to any such entity which remains undismissed and unstayed for 60 consecutive days;

(8) any member of the Restricted Group:

    (a) commences a voluntary case under any bankruptcy or other similar law, or consents to the entry of an order for relief in an involuntary case,

    (b) consents to the appointment of a receiver or trustee, or

    (c) effects any general assignment for the benefit of creditors;

(9) an involuntary case or other proceeding commenced against the Parent Guarantor seeking the appointment of a receiver or trustee and which remains undismissed and unstayed for 60 consecutive days; or an order for relief is entered under any bankruptcy or other similar law with respect to any such entity which remains undismissed and unstayed for 60 consecutive days;

(10) the Parent Guarantor:

    (a) commences a voluntary case under any bankruptcy or other similar law, or consents to the entry of an order for relief in an involuntary case,

    (b) consents to the appointment of a receiver or trustee, or

    (c) effects any general assignment for the benefit of creditors;

(11) the Parent Guarantor (to the extent that its Guarantee has not been released in accordance with the Indenture) or any of the Guarantors denies its obligations under any of their respective Guarantees or any such Guarantee (other than the Guarantee of the Parent Guarantor to the extent it has been released in accordance with the Indenture) is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;

(12) any default by any of the Co-Issuers in the performance of any of its obligations under the Collateral Documents which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect;

(13) the repudiation by any of the Co-Issuers of any of its obligations under the Collateral Documents or any of the Collateral Documents ceases to be or is not in full force or effect, or the Security Trustee ceases to have the prescribed priority of security interest in any of the Collateral; or

(14) the failure by the applicable Co-Issuer (as specified in Appendix A of this "*Description of the Notes*") to create and perfect a security interest over the applicable Collateral, or, where specifically provided, to take commercially reasonable steps to create and perfect a security interest over the applicable Collateral (in each case to the extent specified in Appendix A of this "*Description of the Notes*"), for securing the obligations with respect to the Notes (for which such Co-Issuer is acting as a primary obligor and not as a guarantor) and the performance of all other obligations of the applicable Co-Issuer under the Indenture and the Notes (in respect of which such Co-Issuer is acting as a primary obligor and not as a guarantor) within the time prescribed in Appendix A of this "*Description of the Notes*".

If an Event of Default (other than an Event of Default specified in clause (7) or (8) above) occurs and is continuing under the Indenture, the Trustee in its sole discretion or the Holders of at least 25.0% in aggregate principal amount of the Notes then outstanding, by written notice to the Co-Issuers (and to the Trustee if such notice is given by the Holders), may, and the Trustee at the written direction of such Holders (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) will, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest will be immediately due and payable. If an Event of Default specified in clause (7) or (8) above occurs with respect to the Parent Guarantor or any of the Co-Issuers, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding will automatically become and be immediately due and payable without any declaration or other act on the part any of the Trustee or any Holder.

The Holders of at least a majority in principal amount of the outstanding Notes by written notice to the Co-Issuers and the Trustee, may on behalf of all the Holders, waive all past defaults and rescind and annul a declaration of acceleration and its consequences if:

(1) all existing Events of Default, other than the non-payment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived; and

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequence thereon.

If an Event of Default occurs and is continuing, the Trustee may pursue, in its own name or as trustee of an express trust (including by giving appropriate instructions to the Security Trustee), any available remedy by proceeding at law or in equity to collect any payment of principal of and interest on the Notes that is due or to enforce the performance of any provision of the Notes or the Indenture, including, but not limited to, directing the Security Trustee to initiate a foreclosure on the Collateral in accordance with the terms of the Collateral Documents, and take such further action on behalf of the Holders with respect to the Collateral in accordance with such Holders' instruction and the Collateral Documents. The Trustee and/or Security Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

The Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or the Indenture, that may involve the Trustee in personal liability, or that the Trustee determines may be unduly prejudicial to the rights of Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders. In addition, the Trustee will not be required to expend its own funds in following such direction if it does not believe that reimbursement or satisfactory indemnification and/or security and/or pre-funding is assured to it.

A Holder may not institute any proceeding, judicial or otherwise, with respect to the Indenture or Notes, or for the appointment of a receiver or Trustee, or for any other remedy under the Indenture or the Notes, or give any instruction to the Security Trustee for enforcement of Collateral, unless:

(1) the Holder has previously given the Trustee written notice of a continuing Event of Default;

(2) Holders of at least 25.0% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer the Trustee and the Security Trustee indemnity and/or security and/or pre-funding satisfactory to the Trustee and the Security Trustee against any fees, costs, liability or expenses to be incurred in compliance with such request;

(4) the Trustee does not comply with the request within (x) 60 days after receipt of the written request pursuant to clause (2) above, or (y) 60 days after the receipt of the offer of indemnity and/or security and/or pre-funding pursuant to clause (3) above, whichever occurs later; and

(5) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

Notwithstanding anything to the contrary in the Indenture or any other document relating to the Notes, in the event the Trustee shall receive instructions from two or more groups of Holders, each holding at least 25.0% in aggregate principal amount of the then outstanding Notes, and the Trustee believes (in its sole and absolute discretion and subject to such legal or other advice as it may deem appropriate) that such instructions are conflicting, the Trustee may, in its sole and absolute discretion, exercise any one or more of the following options:

1. refrain from acting on any such conflicting instructions;

2. take the action requested by the Holders of the highest percentage of the aggregate principal amount of the then outstanding Notes, notwithstanding any other provisions of this Indenture (and always subject to such indemnification and/or security and/or pre-funding as is satisfactory to the Trustee); and

3. petition a court of competent jurisdiction for further instructions.

In all such instances where the Trustee has acted or refrained from acting as outlined above, the Trustee shall not be responsible for any losses or liability of any nature whatsoever to any party.

However, such limitations do not apply to the contractual right of any Holder of a Note to receive payment of the principal of, premium, if any, or interest on, such Note or any payment under the Guarantees, or to bring suit for the enforcement of any such contractual right to payment, on or after the due date expressed in the Note, which right will not be impaired or affected without the consent of the Holder.

An officer of the Parent Guarantor must certify to the Trustee in writing, on or before a date not more than 120 days after the end of each fiscal year, that a review has been conducted of the activities of the Parent Guarantor, each of the Co-Issuers and of their respective performance under the Indenture, the Notes, the Guarantees and the Collateral Documents, and that the Parent Guarantor and each of the Co-Issuers have fulfilled all of their respective obligations thereunder, or, if there has been a default in the fulfilment of any such obligation, specifying each such default and the nature and status thereof. The Parent Guarantor will also be obligated to notify the Trustee in writing of any Event of Default, Default or defaults in the performance of any covenants or agreements under the Indenture.

None of the Trustee or any Agent is obligated to do anything to ascertain whether any Event of Default or Default has occurred or is continuing and will not be responsible to Holders or any other person for any loss arising from any failure by it to do so, and each of the Trustee and the Agents may assume that no such event has occurred and that the Co-Issuers and the Parent Guarantor are performing all of their obligations under the Indenture and the Notes unless the Trustee, or any Agent, as the case may be, has received written notice of the occurrence of such event or facts establishing that a Default or an Event of Default has occurred or that the Co-Issuers and the Parent Guarantor are not performing all of their obligations under the Indenture and/or the Notes. The Trustee is entitled to rely on any Opinion of Counsel or Officer's Certificate regarding whether an Event of Default has occurred.

No Personal Liability of Incorporators, Promoters, Directors, Officers, Employees and Stockholders

No incorporator, promoter, director, officer, employee or stockholder of any of the Co-Issuers or the Parent Guarantor, as such, will have any liability for any obligations of any of the Co-Issuers or the Parent Guarantor under the Notes, the Indenture, any Guarantee, the Collateral Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder, by accepting a Note, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under United States federal securities laws.

Legal Defeasance and Covenant Defeasance

The Co-Issuers may at any time, elect to have all of their obligations discharged with respect to the outstanding Notes and all obligations of the Parent Guarantor and the Guarantors discharged with respect to the Guarantees in relation to the Notes ("Legal Defeasance"), except for:

(1) the rights of Holders to receive payments in respect of the principal of, or interest or premium, if any, on, Notes when such payments are due from the trust referred to below;

(2) the Co-Issuers' obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Co-Issuers', the Parent Guarantor's and the Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, the Co-Issuers may, at any time, elect to have their obligations and the obligations of the Parent Guarantor and the Guarantors, released with respect to substantially all of the covenants (including their obligation to make Change of Control Offers and Offers to Purchase with the Excess Proceeds from an Asset Sale) that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants will not constitute a Default or an Event of Default with respect to the Notes. If Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "*Events of Default and Remedies*" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Co-Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Co-Issuers must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Co-Issuers must deliver to the Trustee an Opinion of Counsel confirming that (a) the Co-Issuers have received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Co-Issuers must deliver to the Trustee an Opinion of Counsel confirming that the Holders will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or an Event of Default resulting from the borrowing of funds to be applied to such deposit (or any other deposit relating to other Indebtedness being defeased, discharged or satisfied substantially concurrently with the Notes) and the granting of Liens securing such borrowing);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture or any other agreement or instrument governing or evidencing other Indebtedness being defeased, discharged or satisfied substantially concurrently with the Notes) to which any of the Co-Issuers is a party or by which any of the Co-Issuers is bound;

(6) the Parent Guarantor must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Co-Issuers with the intent of preferring the Holders over the other creditors of the Co-Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Co-Issuers or others; and

(7) the Co-Issuers must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, the Notes, any Guarantee and the Collateral Documents may be amended or supplemented with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes), and any existing Default or Event of Default or compliance with any provision of the Indenture, Notes, any Guarantee or the Collateral Documents may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes).

Without the consent of Holders holding at least 90.0% in principal amount of Notes, an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of Notes;

(3) change the redemption date or the redemption price of the Notes from that stated under "– *Optional Redemptions*" or "– *Redemption for Taxation Reasons*";

(4) reduce the rate of or change the currency or change the time for payment of interest, including default interest, on any Notes;

(5) waive a Default or an Event of Default in the payment of principal of, or interest or premium, if any, on, the Notes (except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(6) reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from an Asset Sale or change the time or manner a Change of Control Offer or Offer to Purchase with the Excess Proceeds from an Asset Sale may be made or by which the Notes must be redeemed pursuant to a Change of Control Offer or Offer to Purchase with the Excess Proceeds from an Asset Sale, in each case after the obligation to make such Change of Control Offer or Offer to Purchase with the Excess Proceeds from an Asset Sale has arisen;

(7) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders to receive payments of principal of, or interest or premium, if any, on, the Notes;

(8) waive a redemption payment with respect to any Note;

(9) release any Guarantor from any of its obligations under its Guarantee or the Indenture, except as set forth under the caption "– *Brief Description of the Notes and the Guarantees – The Guarantees*";

(10) release the Parent Guarantor from any of its obligations under its Guarantee or the Indenture, except as set forth under the caption "– Brief Description of the Notes and the Guarantees – The Guarantees";

(11) release any Collateral from the applicable Lien of the Indenture and the applicable Collateral Document, except (i) the release of any Collateral from the applicable Lien of the Indenture and the applicable Collateral Document to the extent that such release is limited to the release of Collateral of only one (1) of the Co-Issuers between the Original Issue Date and the Maturity Date of the Notes for which the consent of the Holders of a majority in aggregate principal amount of Notes would instead be required, (ii) the release of the Share Pledges solely in connection with an INVIT Offering (provided that such release takes place substantially concurrently with the release of the Share Pledges in favor of all holders of Permitted Pari Passu Secured Indebtedness) for which no consent of any Holder would be required; (iii) the release of the Share Pledges for the creation of any Permitted Collateral Lien over such Share Pledges for which no consent of any Holder would be required *provided that* such creation of Permitted Collateral Lien takes place substantially concurrently with the re-creation of a security interest over such Share Pledges in favor of the Security Trustee for the benefit of the Holders; and (iv) as set forth under the caption "– *Security*";

(12) amend, supplement or grant any waiver under any Trust and Retention Account Agreement or any Security Sharing Agreement (i) that would adversely impact the priority of payments with respect to the Notes and/or the right to receive payments with respect to the Notes; or (ii) relating to any action or change, not permitted as per the terms of this Indenture; or

(13) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any Holder, the Co-Issuers, the Parent Guarantor, the Guarantors and the Trustee may amend or supplement the Indenture, the Notes, any Guarantee or the Collateral Documents:

(1) to cure any ambiguity, defect, omission or inconsistency;

(2) to provide for certificated Notes in addition to or in place of uncertificated Notes (provided that the certificated Notes are in registered form for purposes of Section 163(f) of the U.S. Internal Revenue Code of 1986, as amended);

(3) to provide for the assumption of the any of the Co-Issuer's, the Parent Guarantor's or the Guarantors' obligations to Holders and Guarantees in the case of a merger or consolidation or sale of all or substantially all of the applicable Co-Issuer's, the Parents Guarantor's or such Guarantor's assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder;

(5) to conform the text of the Indenture, the Notes, the Guarantees or the Collateral Documents to any provision of this Description of the Notes to the extent that such provision in this Description of the Notes was intended to be a verbatim recitation of a provision thereof;

(6) to provide for the issuance of Additional Notes in accordance with the covenants set forth in the Indenture;

(7) to effect any changes to the Indenture in a manner necessary to comply with the procedures of the relevant clearing system;

(8) to allow a Guarantor to execute a supplemental indenture to the Indenture and/or a Guarantee with respect to the Notes or to release the Parent Guarantor and/or a Guarantor from its Guarantee in accordance with the terms of the Indenture;

(9) to enter into additional or supplemental Collateral Documents or to release Collateral from a Lien of the Indenture or applicable Collateral Document in accordance with the terms of the Indenture or applicable Collateral Document;

(10) to evidence and provide for the acceptance of appointment by a successor Trustee or Security Trustee; or

(11) to enter into any amendment or supplement to or grant any waiver under any Trust and Retention Account Agreement or Security Sharing Agreement in order to account for the Incurrence of any Permitted Indebtedness or for any other action which is permitted under or not restricted by the Indenture.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid by the Co-Issuers, have been delivered to the Paying Agent for cancelation; or

(b) all Notes that have not been delivered to the Paying Agent for cancelation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the applicable Co-Issuer, the Parent Guarantor or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Paying Agent for cancelation for principal, premium if any, and accrued interest to the date of maturity or redemption;

(2) the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Co-Issuers, the Parent Guarantor or any Guarantor is a party or by which the Co-Issuers, the Parent Guarantor or any Guarantor is bound (other than with respect to the borrowing of funds to be applied concurrently to make the deposit required to effect such satisfaction and discharge or any similar concurrent deposit relating to other Indebtedness, and in each case the granting of Liens to secure such borrowings/any instrument governing or evidencing other Indebtedness being defeased, discharged or satisfied substantially concurrently with the Notes);

(3) the Co-Issuers, the Parent Guarantor or any Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Co-Issuers have delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes of at maturity or on the redemption date, as the case may be.

In addition, the Co-Issuers must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Concerning the Trustee and Agents

Citicorp International Limited is to be appointed as Trustee under the Indenture and Citibank, N.A., London Branch is to be appointed as Paying Agent, Transfer Agent and as Registrar under the Indenture.

Except during the continuance of a Default, the Trustee will not be liable, except for the performance of such duties as are specifically set forth in the Indenture and no implied covenant or obligation shall be read into the Indenture or the Notes against the Trustee. If an Event of Default has occurred and is continuing, the Trustee will use the same degree of care and skill in its exercise of the rights and powers vested in it under the Indenture as a prudent person would exercise under the circumstances in the conduct of such person's own affairs. If a Default or an Event of Default occurs and is continuing, all Agents will be required to act on the Trustee's direction.

Each Holder, by accepting the Notes will agree, for the benefit of the Trustee, that it is solely responsible for its own independent appraisal of and investigation into all risks arising under or in connection with the Notes and has not relied on and will not at any time rely on the Trustee in respect of such risks.

The Trustee will be permitted to engage in other transactions and nothing herein shall obligate the Trustee to account for any profits earned from any business or transactional relationship; provided, however, that, if it acquires any conflicting interest it must eliminate such conflict within 90 days, or resign.

The Holders of a majority in aggregate principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. Subject to applicable provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder, unless such Holder has offered to the Trustee security and/or indemnity and/or pre-funded satisfactory to it against any loss, liability or expense.

Notwithstanding anything else contained in the Indenture, the Trustee and the Agents may refrain without liability from doing anything that would or might in their opinion be contrary to any law of any state or jurisdiction (including, but not limited to, any laws of England and Wales, Hong Kong, and the United States or any jurisdiction forming a part of it) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in their opinion, necessary to comply with any such law, directive or regulation.

The Trustee shall not be deemed to have knowledge of any Event of Default or Default unless a responsible officer of the Trustee has received express written notice of such Event of Default or Default. Neither the Trustee nor any of the Agents shall be deemed to have knowledge of an Event of Default or a Default unless it has been notified in writing of such an Event of Default or Default.

Additional Information

Anyone who receives the Offering Memorandum may inspect a copy of the Indenture and, once executed, the Collateral Documents, during regular business hours at the corporate trust office of the Trustee.

Book-Entry, Delivery and Form

The Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A ("Rule 144A Notes"). The Notes also may be offered and sold in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S Notes"). Except as set forth below, the Notes will be issued in registered, global form in minimum denominations of US$200,000 and integral multiples of US$1,000 in excess of US$1,000. Notes will be issued at the closing of this offering only against payment in immediately available funds.

Rule 144A Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Rule 144A Global Notes"). Regulation S Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the "Regulation S Global Notes" and, together with the Rule 144A Global Notes, the "Global Notes"). The Global Notes will be deposited upon issuance with a custodian for The Depository Trust Company ("DTC"), in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described below. See "– Exchanges between Regulation S Notes and Rule 144A Notes."

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for definitive Notes in registered certificated form ("Definitive Notes") except in the limited circumstances described below. See "– Exchange of Global Notes for Definitive Notes." Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Notes in certificated form.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "Transfer Restrictions." Regulation S Notes will also bear the legend as described under "Transfer Restrictions." In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Co-Issuers will appoint and maintain a paying agent in Singapore where the Notes may be presented or surrendered for payment or redemption in the event that the Global Notes are exchanged for individual definitive notes in certificated form. In addition, in the event that the Global Notes are exchanged for individual definitive notes in certificated form, an announcement of such exchange will be made by or on behalf of the Co-Issuers through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive notes in certificated form, including details of the paying agent in Singapore.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. The Co-Issuers and the Parent Guarantor take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised the Co-Issuers and the Parent Guarantor that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchaser), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised the Co-Issuers and the Parent Guarantor that, pursuant to procedures established by it:

1. upon deposit of the Global Notes, DTC will credit the accounts of the Participants designated by the initial purchasers with portions of the principal amount of the Global Notes; and

2. ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interest in the Global Notes).

Investors in the Rule 144A Global Notes who are Participants may hold their interests therein directly through DTC. Investors in the Rule 144A Global Notes who are not Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are Participants. Investors in the Regulation S Global Notes may hold their interests therein through Euroclear or Clearstream, if they are participants in such systems, indirectly through organizations that are participants therein, or through Participants in the DTC system other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in the Regulation S Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain Persons take physical delivery in definitive form of securities that they own.

Consequently, the ability to transfer beneficial interests in a Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of the Participants, which in turn act on behalf of the Indirect Participants, the ability of a Person having beneficial interests in a Global Note to pledge such interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or "Holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of, and interest and premium, if any, on, a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered Holder under the Indenture. Under the terms of the Indenture, the Co-Issuers, the Parent Guarantor, the Trustee and the Agents will treat the Persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, none of the Co-Issuers, the Parent Guarantor, the Trustee or any agent of the Co-Issuers, the Parent Guarantor or the Trustee has or will have any responsibility or liability for:

1. any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes; or

2. any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised the Co-Issuers and the Parent Guarantor that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe that it will not receive payment on such payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee, the Co-Issuers or the Parent Guarantor. Neither the Co-Issuers, the Parent Guarantor, the Agents nor the Trustee will be liable for any delay by DTC or any of the Participants or the Indirect Participants in identifying the beneficial owners of the Notes, and the Co-Issuers, the Parent Guarantor, the Agents and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Transfer Restrictions," transfers between the Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures. Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by their respective depositaries; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised the Co-Issuers and the Parent Guarantor that it will take any action permitted to be taken by a Holder only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. None of the Co-Issuers, the Parent Guarantor, the Trustee or any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Global Notes for Definitive Notes

A Global Note is exchangeable for Definitive Notes if:

1. DTC (a) notifies the Co-Issuers that it is unwilling or unable to continue as depositary for the Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act and, in either case, the Co-Issuers fail to appoint a successor depositary;

2. the Co-Issuers, at their option, notify the Trustee in writing that they elect to cause the issuance of the Definitive Notes; or

3. if a beneficial owner of a Note requests such exchange in writing through DTC following a Default or Event of Default with respect to the Notes which has occurred and is continuing.

In addition, beneficial interests in a Global Note may be exchanged for Definitive Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Definitive Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Transfer Restrictions" unless that legend is not required by applicable law.

Exchange of Definitive Notes for Global Notes

Definitive Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "Transfer Restrictions."

Exchanges between Regulation S Notes and Rule 144A Notes

Beneficial interests in a Rule 144A Global Note may be transferred to a Person who takes delivery in the form of an interest in the Regulation S Global Note only if the transferor first delivers to the Transfer Agent a written certificate (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available).

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected by DTC by means of an instruction originated by the Trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global

Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a Person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest.

Same Day Settlement and Payment

The Co-Issuers will make payments in respect of the Notes represented by the Global Notes (including principal, premium, if any, interest and, if any) by wire transfer of immediately available funds to the accounts specified by DTC or its nominee. The Co-Issuers will make all payments of principal, interest and premium, if any, with respect to Definitive Notes by wire transfer of immediately available funds to the accounts specified by the Holders of the Definitive Notes.

The Notes represented by the Global Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Notes will, therefore, be required by DTC to be settled in immediately available funds. The Co-Issuers expect that secondary trading in any Definitive Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a Participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised the Co-Issuers and the Parent Guarantor that cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Governing Law

Each of the Notes, the Guarantees and the Indenture provides that such instrument will be governed by, and construed in accordance with, the laws of the State of New York. The Collateral Documents, the Security Sharing Agreements and the Trust and Retention Account Agreements will be governed by, and construed in accordance with, the laws of India.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "**control**," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "**controlling**," "**controlled by**" and "**under common control with**" have correlative meanings.

"**Annual Prepayment Account**" means, in respect of any Co-Issuer, the account in which the amounts to be paid in respect of the Existing Senior Indebtedness (if any) and the Original Issue Date Undrawn Indebtedness (if drawn) over and above the scheduled repayments are required to be deposited in accordance with the relevant Trust and Retention Account Agreements and "**Annual Prepayment Accounts**" means all such accounts collectively.

"**Applicable Premium**" means, with respect to the Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such Note and (2) the excess of (a) the present value at such redemption date of the redemption price of such Note at March 12, 2021 (such redemption price being set forth in the table appearing under the caption "– *Optional Redemptions*"), plus all required remaining scheduled interest payments due on such Note through March 12, 2021 (but excluding accrued and unpaid interest, if any, to (but not including) the redemption date), computed using a discount rate equal to the Treasury Rate plus 50 basis points, over (b) the principal amount of such Note on such redemption date.

"**Asset Acquisition**" means (i) an Investment by any of the Co-Issuers in any other Person pursuant to which such Person will be merged into or consolidated with any of the Co-Issuers, or (ii) an acquisition by any of the Co-Issuers of the property and assets of any Person (other than a Co-Issuer) that constitute substantially all of a division or line of business of such Person.

Asset Disposition" means the sale or other disposition by any Co-Issuer (other than to another Co-Issuer) of all or substantially all of the assets that constitute a division or line of business of any Co-Issuer.

"**Asset Sale**" means the sale, lease, conveyance or other disposition of any assets or rights (including by way of merger, consolidation or Sale and Leaseback Transaction) in one transaction or a series of related transactions by any of the Co-Issuers to any Person; *provided that* "Asset Sale" shall not include:

(1) the sale, lease, transfer or other disposition of inventory, products, services, accounts receivable or other current assets in the ordinary course of business (including, for the avoidance of doubt, the sale of power);

(2) Restricted Payments permitted to be made under the covenant described under the caption "– *Certain Covenants – Restricted Payments*" or any Permitted Investment;

(3) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US$1.0 million (or the Dollar Equivalent thereof);

(4) any sale or other disposition of damaged, worn-out or obsolete or permanently retired assets (including the abandonment or other disposition of property that is no longer economically practicable to maintain or useful in the conduct of the business of the Restricted Group);

(5) any sale, transfer or other disposition deemed to occur in connection with creating or granting any Permitted Lien or Permitted Collateral Lien;

(6) a transaction covered by the "*– Certain Covenants – Merger, Consolidation and Sale of Assets" or "– Repurchase of Notes Upon a Change of Control Triggering Event*" covenants;

(7) any sale, transfer or other disposition of any assets by any of the Co-Issuers to any of the other Co-Issuers;

(8) any sale, transfer or other disposition of any national, state or foreign production tax credit, tax grant, renewable energy credit, carbon emission reductions, certified emission reductions or similar credits based on the generation of electricity from renewable resources or investment in renewable generation and related equipment and related costs, or the sale or issuance of Capital Stock entitling the holder thereof to benefit from any such items;

(9) sale, transfer or other disposition of licenses and sublicenses of software or intellectual property in the ordinary course of business;

(10) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(11) the sale or other disposition of cash or Temporary Cash Equivalents;

(12) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(13) transfers resulting from any casualty or condemnation of property;

(14) dispositions of investments in joint ventures to the extent required by or made pursuant to buy/sell arrangements between the joint parties;

(15) the unwinding of any Hedging Obligation; and

(16) the sale, transfer or other disposition of contract rights, development rights or resource data obtained in connection with the initial development of a project prior to the commencement of commercial operations of such project.

"**Attributable Indebtedness**" means, in respect of a Sale and Leaseback Transaction, the present value, discounted at the interest rate implicit in the Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in the Sale and Leaseback Transaction.

"**Average Life**" means, at any date of determination with respect to any Indebtedness, the quotient obtained by dividing (1) the sum of the products of (a) the number of years from such date of determination to the dates of each successive scheduled principal payment of such Indebtedness and (b) the amount of such principal payment by (2) the sum of all such principal payments.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors of the corporation;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function,

including, in each case, any committee thereof duly authorized to act on its behalf.

"**Board Resolution**" means any resolution of the Board of Directors taking an action which it is authorized to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of the Board of Directors or any circular resolution passed in accordance with the relevant Companies Law of India.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in each of New York, Hong Kong, London, Delhi, Mumbai and Singapore.

"**Capitalized Lease Obligations**" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with Ind-AS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"**CCDs**" means debentures which are compulsorily convertible into Common Stock of any Co-Issuer.

"**Change of Control**" means the occurrence of any of the following events:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of either (a) the Parent Guarantor and the Restricted Group, taken as a whole, or (b) the Restricted Group, in either case to any "person" (within the meaning of Section 13(d) of the Exchange Act), other than to one or more Permitted Holders (for the avoidance of doubt, any sale, transfer, conveyance or other disposition of all or substantially all of the properties or assets of (a) the Parent Guarantor and the Restricted Group, taken as a whole, or (b) the Restricted Group, in either case required by applicable law, rule, regulation or order (other than to one or more Permitted Holders) will constitute a Change of Control under this definition);

(2) any of the Co-Issuers consolidates with, or merges with or into, any Person (other than with or into one or more Permitted Holders), or any Person (other than one or more Permitted Holders) consolidates with, or merges with or into, any of the Co-Issuers, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of such Co-Issuer or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the applicable Co-Issuer outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance);

(3) the Parent Guarantor consolidates with, or merges with or into, any Person (other than with or into one or more Permitted Holders), or any Person (other than one or more Permitted Holders) consolidates with, or merges with or into, the Parent Guarantor, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Parent Guarantor or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Parent Guarantor outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance);

(4) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d), respectively, of the Exchange Act), other than one or more Permitted Holders, is or becomes the "beneficial owner" (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50.0% of the total voting power of the Voting Stock of the Parent Guarantor;

(5) the Parent Guarantor (including any entity with or into which the Parent Guarantor is merged or consolidated or liquidated) ceases to own, directly or indirectly, at least 50.1% of the total voting power of the Voting Stock of any of the Co-Issuers, other than where, immediately post the consummation of an INVIT Offering, (i) the Parent Guarantor owns, directly or indirectly, at least 15.0% of the total voting power of the Voting Stock of each of the Co-Issuers and (ii) the Parent Guarantor and the Permitted Holders collectively own, directly or indirectly, at least 50.1% of the total voting power of the Voting Stock of each of the Co-Issuers; or

(6) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor (other than the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor to be undertaken in connection with a merger or consolidation with, or a sale or other transfer of all or substantially all of the properties or assets of, the Parent Guarantor and the Restricted Group, taken as a whole, (i) to, a Person (the "Surviving Person") which will be a corporation organized under the laws of Bermuda, the British Virgin Islands, the Cayman Islands, India or Mauritius and which assumes all of the obligations of the Parent Guarantor under the Indenture and the Collateral Documents to which the Parent Guarantor is a party, (ii) whereby immediately after giving effect to such transaction, no Default or Event of Default exists, (iii) whereby the Combined Leverage Ratio, after giving *pro forma* effect to such transaction, does not exceed 5.5 to 1.0 and (iv) whereby the Parent Guarantor delivers an Officer's Certificate and an Opinion of Counsel as to compliance with (i) through (iii) above).

"**Change of Control Offer**" has the meaning assigned to that term in the Indenture.

"**Change of Control Triggering Event**" means the occurrence of a Change of Control and a Rating Decline.

"**Collateral Documents**" means the documents described in the second column of the table found in Appendix A of this "*Description of the Notes*."

"**Combined EBITD**A" means, for any period, Combined Net Income for such period plus, to the extent such amount was deducted in calculating such Combined Net Income:

(1) Combined Interest Expense;

(2) income taxes (other than income taxes attributable to extraordinary gains (or losses) or sales of assets outside the ordinary course of business);

(3) depreciation expense, amortization expense and all other non-cash items (including impairment charges and write-offs) reducing Combined Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period), less all non-cash items increasing Combined Net Income (other than the accrual of revenues in the ordinary course of business);

(4) any gains or losses arising from the acquisition of any securities or extinguishment, repurchase, cancelation or assignment of Indebtedness; and

(5) any unrealized gains or losses in respect of Hedging Obligations or other derivative instruments or forward contracts or any ineffectiveness recognized in earnings related to a qualifying hedge transaction or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

all as determined on a combined basis in conformity with Ind-AS.

"**Combined Indebtedness**" means, as of any date of determination, the aggregate amount of (a) Indebtedness of the Restricted Group on such date on a combined basis, to the extent appearing as a liability upon a balance sheet (excluding the footnotes thereto) of the Restricted Group prepared in accordance with Ind-AS (which may be an internal balance sheet based on management accounts), plus (b) an amount equal to the greater of the liquidation preference or the maximum fixed redemption or repurchase price of all Disqualified Stock of the Co-Issuers, in each case, determined on a combined basis in accordance with Ind-AS, minus (c) the amounts in the Annual Prepayment Accounts on such date.

"**Combined Interest Expense**" means, with respect to the Restricted Group for any period, the amount that would be included in gross interest expense on a combined income statement prepared in accordance with Ind-AS for such period of the Restricted Group, plus, to the extent not included in such gross interest expense, and to the extent accrued or payable during such period by the Restricted Group, without duplication, (1) interest expense attributable to Capitalized Lease Obligations, (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness, (3) the interest portion of any deferred payment obligation, (4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness, (5) the net costs associated with Hedging Obligations with respect to Indebtedness (including the amortization of fees), (6) interest accruing on Indebtedness of any other Person that is Guaranteed by, or secured by a Lien on any asset of, the Restricted Group, and (7) any capitalized interest (other than in respect of Subordinated Shareholder Debt).

"**Combined Leverage Ratio**" means, with respect to the Restricted Group as of any date of determination, the ratio of:

(1) Combined Indebtedness on such date to;

(2) Combined EBITDA for the then most recently concluded period of two semi-annual fiscal periods for which financial statements are available (the "**Reference Period**"); *provided, however,* that in making the foregoing calculation:

(a) acquisitions of any Person, business or group of assets that constitutes an operating unit or division of a business that have been made by the Restricted Group, including through mergers, consolidations, amalgamations or otherwise, or by any acquired Person, and including any related financing transactions during the Reference Period or subsequent to such Reference Period and on or prior to the date on which the event for which the calculation of the Combined Leverage Ratio is made (the "**Calculation Date**") (including transactions giving rise to the need to calculate such Combined Leverage Ratio) will be given *pro forma* effect as if they had occurred on the first day of the Reference Period; and

(b) the Combined EBITDA attributable to discontinued operations, as determined in accordance with Ind-AS, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date (including transactions giving rise to the need to calculate such Combined Leverage Ratio), will be excluded.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Combined EBITDA associated therewith, the *pro forma* calculation shall be based on the Reference Period immediately preceding the calculation date. In determining the amount of Indebtedness outstanding on any date of determination, *pro forma* effect will be given to any incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness or Disqualified Stock on such date.

"**Combined Net Income**" means, for any period, the aggregate of the net income plus any interest income of the Restricted Group for such period, on a combined basis, as determined in accordance with Ind-AS; *provided that*:

(1) the net income (or loss) of any Person that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the Restricted Group;

(2) the cumulative effect of a change in accounting principles will be excluded; and

(3) any translation gains or losses due solely to fluctuations in currency values and related tax effects will be excluded.

"**Combined Net Worth**" means, as of any date, the sum of:

(1) the total equity of the Restricted Group as of such date; *plus*

(2) the respective amounts reported on the Restricted Group's combined balance sheet as of such date with respect to any series of preferred stock (other than Disqualified Stock) that by its terms is not entitled to the payment of dividends unless such dividends may be declared and paid only out of net earnings in respect of the year of such declaration and payment.

"**Commodity Hedging Agreement**" means any spot, forward, commodity swap, commodity cap, commodity floor or option commodity price protection agreements or other similar agreement or arrangement.

"**Common Stock**" means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock or ordinary shares, whether or not outstanding on the Original Issue Date, and includes all series and classes of such common stock or ordinary shares.

"**Currency Hedging Agreement**" means any currency swap agreement, currency cap agreement, currency floor agreement, currency futures agreement, currency option agreement or any other similar agreement or arrangement.

"**Debt Service**" means, for any period, the sum of all principal and interest payments (other than voluntary or optional prepayments) in respect of Indebtedness of the Co-Issuers, settlement payments net of receipts on account of gross settlement under interest rate and currency hedging agreements, and fees, expenses and other charges due in respect of all such Indebtedness of the Co-Issuers (other than amortized expenses relating to the offering of the Notes or the Incurrence of other Indebtedness), calculated without duplication for Guarantees with respect to Indebtedness already included in such calculation. For the avoidance of doubt, settlement payments made net of settlement payments received under Hedging Obligations for such period shall be included under Debt Service for Hedging Obligations entered into for the purpose of protecting the Co-Issuers from fluctuations in interest rates or currencies.

"**Debt Service Coverage Ratio**" means, for any period, the ratio of (x) Combined EBITDA (net of all taxes) for such period to (y) Debt Service for such period. In making the foregoing calculation:

(1) *pro forma* effect will be given to any Indebtedness Incurred, repaid, repurchased, defeased or redeemed since the beginning of such period in each case as if such Indebtedness had been Incurred, repaid, repurchased, defeased or redeemed on the first day of such period (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement or any predecessor revolving credit or similar arrangement);

(2) interest expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a *pro forma* basis and bearing a floating interest rate will be computed as if the rate in effect on the date of determination (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period; and

(3) *pro forma* effect will be given to Asset Dispositions and Asset Acquisitions (including giving *pro forma* effect to the application of proceeds of any Asset Disposition) that occur during such period as if they had occurred and such proceeds had been applied on the first day of such period;

provided that to the extent that clause (3) of this sentence requires that *pro forma* effect be given to an Asset Acquisition or Asset Disposition (or asset acquisition or asset disposition), such *pro forma* calculation will be based upon the then most recent two semi-annual periods immediately preceding the date of determination of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Designated Subordinated Working Capital Parent Loans**" means any Subordinated Indebtedness Incurred by any of the Co-Issuers owed to the Parent Guarantor or any entity majority owned, directly or indirectly, by the Parent Guarantor which, by its terms or by the terms of any agreement or instrument pursuant to which such Indebtedness is issued or remains outstanding, (i) is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or which is contingent upon events or circumstance), in whole or in part, prior to the earlier of (x) the final Stated Maturity of such Indebtedness and (y) the first date on which no Notes are outstanding, (ii) does not provide for any right to call a default prior to the earlier of (x) the final Stated Maturity of such Indebtedness and (y) the first date on which no Notes are outstanding, (iii) bears interest at a rate which is no more than the rate which is payable under any outstanding Senior Indebtedness (including related hedging costs), (iv) does not require any cash payment of interest (or premium, if any) prior to the earlier of (x) the final Stated Maturity of such Indebtedness and (y) the first date on which no Notes are outstanding, (v) is not secured by a Lien on any assets of any of the Co-Issuers and is not guaranteed by any of the Co-Issuers and (vi) has been designated by the applicable Co-Issuer as a "Designated Subordinated Working Capital Parent Loan" under the applicable Trust and Retention Account Agreement (to the extent that such agreement has been executed and is in effect); *provided, however, that* upon any event or circumstance that results in such Indebtedness ceasing to qualify as "Designated Subordinated Working Capital Parent Loans", such Indebtedness shall constitute either (x) Subordinated Shareholder Debt, if it meets the conditions set forth in the definition thereof, or (y) an Incurrence of such Indebtedness by the applicable Co-Issuer. The foregoing limitations shall not be violated by provisions that permit payments of principal, premium or interest on such Indebtedness if such Co-Issuer would be permitted to make such payment under the covenant described under the caption "– *Certain Covenants — Restricted Payments*."

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock of such Person which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(1) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable at the option of the holder thereof for Indebtedness or Disqualified Stock; or

(3) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or repurchasable for cash or in exchange for Indebtedness at the option of the holder of the Capital Stock in whole or in part,

in each case on or prior to the earlier of (a) the Stated Maturity of the Notes or (b) the first date on which there are no Notes outstanding; *provided, however, that* (i) only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable, or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock, and (ii) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the applicable Co-Issuer to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is not prohibited by the covenant described under "*– Certain Covenants – Restricted Payments*."

"**Dollar Equivalent**" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the noon buying rate for U.S. dollars in New York City for cable transfers as certified for customs purposes by the Federal Reserve Bank of New York on the date of determination.

"**Equity Interests**" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"**Equity Offering**" means a public or private sale either (1) of Equity Interests of the Parent Guarantor by the Parent Guarantor (other than Disqualified Stock and other than to a Subsidiary of the Parent Guarantor) or (2) of Equity Interests of a direct or indirect parent entity of the Parent Guarantor (other than to the Parent Guarantor or a Subsidiary of the Parent Guarantor) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Parent Guarantor.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Existing Senior Indebtedness**" means the Indebtedness Incurred, as of the Original Issue Date, under the following:

(1) the facility of Rs.2,600 million from YES Bank Limited and IFCI Limited of Renew Saur Urja Private Limited under the facility agreement dated September 19, 2016 entered into with inter-alia YES Bank Limited; *provided*, *that*, the amount owing to IFCI Limited under such facility shall not constitute Existing Senior Indebtedness;

(2) the facilities of Rs.2,288.20 million from YES Bank Limited of Renew Saur Urja Private Limited under the common loan agreement dated October 4, 2017 entered into with inter-alia YES Bank Limited;

(3) the facilities of Rs.7,856.90 million from YES Bank Limited, State Bank of India and Punjab & Sind Bank of ReNew Solar Energy (Telangana) Private Limited under the facility agreement dated November 2, 2016, entered into with inter-alia YES Bank Limited and State Bank of India; *provided*, *that*, the amount owing to State Bank of India and Punjab and Sind Bank under such facility shall not constitute Existing Senior Indebtedness;

(4) the facilities of Rs.1,021.48 million from YES Bank Limited of ReNew Wind Energy (Budh 3) Private Limited under the common loan agreement dated March 9, 2018 entered into with inter-alia YES Bank Limited;

(5) the facilities of Rs.2,041.56 million from YES Bank Limited of ReNew Wind Energy (Budh 3) Private Limited under the common loan agreement dated January 23, 2018 entered into with inter-alia YES Bank Limited; and

(6) the facilities of Rs.5,577.20 million from YES Bank Limited of Kanak Renewables Limited and Rajat Renewables Limited under the facility agreement dated August 17, 2018 entered into with inter-alia YES Bank Limited as such facilities may be restructured to dismantle the existing co-obligor structure in place in respect of such facilities.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor (unless otherwise provided in the Indenture), whose determination shall be conclusive if evidenced by a Board Resolution.

"**Fitch**" means Fitch Inc. and its successors and assigns.

"**Government Securities**" means direct obligations of, or obligations Guaranteed by, the United States of America, and the payment for which the United States of America pledges its full faith and credit.

"**Guarantee**" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"**Hedging Obligations**" means, with respect to any specified Person, the obligations of such Person pursuant to Commodity Hedging Agreements, Currency Hedging Agreement or Interest Rate Hedging Agreements.

"**Holder**" means the Person in whose name a Note is registered in the Note register.

"**Incur**" means, with respect to any Indebtedness or Disqualified Stock, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Disqualified Stock; *provided that* the accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Disqualified Stock in the form of additional shares of Disqualified Stock (to the extent provided for when the Indebtedness or Disqualified Stock on which such interest or dividend is paid was originally issued) will not be considered an Incurrence of Indebtedness. The terms "**Incurrence**," "**Incurred**" and "**Incurring**" have meanings correlative with the foregoing.

"**Ind-AS**" means (a) with respect to the Parent Guarantor, Indian Accounting Standards as in effect from time to time, and (b) with respect to the Restricted Group, Indian Accounting Standards as in effect from time to time, as modified by commonly used carve-out principles as in effect on the date of such report or financial statement.

"**Indebtedness**" means, with respect to any Person at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except (i) Trade Payables, (ii) to the extent that the Parent Guarantor is not in breach of its obligations under the covenant "*Parent Guarantor Undertaking for Residual Affiliate Payment Obligations*", Residual Affiliate Payment Obligations and (iii) to the extent that the Parent Guarantor is not in breach of its obligations under the covenant "*Parent Guarantor Undertaking for Residual Payment Obligations*", Residual Payment Obligations;

(5) all Capitalized Lease Obligations and Attributable Indebtedness;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided that* the amount of such Indebtedness will be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent that such Indebtedness is Guaranteed by such Person;

(8) to the extent not otherwise included in this definition, Hedging Obligations; and

(9) all Disqualified Stock issued by such Person valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase or redemption price plus accrued dividends,

if and to the extent any of the preceding items (other than items described in clauses (3) and (9) above) would appear as a liability on the Person's consolidated/combined balance sheet (excluding the footnotes thereto) prepared in accordance with Ind-AS.

The amount of Indebtedness of any Person at any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided that*:

(1) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with Ind-AS;

(2) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness will not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(3) the amount of Indebtedness with respect to any Hedging Obligation will be equal to the net amount payable if the Commodity Hedging Agreement, Currency Hedging Agreement or Interest Rate Hedging Agreement giving rise to such Hedging Obligation terminated at that time due to default by such Person.

For the avoidance of doubt, Subordinated Shareholder Debt, Preferred Stock (including Redeemable Preference Shares) and CCDs will not constitute Indebtedness.

"**Interest Rate Hedging Agreement**" means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement.

"**Investments**" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with Ind-AS. The acquisition by any of the Co-Issuers of a Person that holds an Investment in a third Person will be deemed to be an Investment by such Co-Issuer in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption "– *Certain Covenants – Restricted Payments*." The amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"**Investment Grade**" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by S&P or Fitch, or a rating of "AAA," "AA," "A," "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories or the equivalent ratings of any Nationally Recognized Statistical Rating Organization which shall have been designated by the Parent Guarantor as having been substituted for S&P and/or Fitch, as the case may be.

"**INVIT Offering**" means an offering of the units of an infrastructure investment trust, whether through a private placement or a public offering, with the Co-Issuers (including their assets) or the assets of the Co-Issuers forming all or a part of the assets of such infrastructure investment trust.

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"**Moody's**" means Moody's Investors Service, Inc. and its successors and assigns.

"**Nationally Recognized Statistical Rating Organization**" has the meaning assigned to such term in Section 3(a)(62) of the Exchange Act.

"**Net Cash Proceeds**" means with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or cash equivalents, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or cash equivalents and proceeds from the conversion of other property received when converted to cash or cash equivalents, net of:

(1) brokerage commissions and other fees and expenses (including fees and expenses of counsel and investment bankers) related to such Asset Sale;

(2) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Asset Sale without regard to the combined results of operations of the Restricted Group;

(3) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (x) is secured by a Lien on the property or assets sold or (y) is required to be paid as a result of such sale; and

(4) appropriate amounts to be provided by such Co-Issuer as a reserve against any liabilities associated with such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as determined in conformity with Ind-AS and reflected in an Officer's Certificate delivered to the Trustee.

"**Obligations**" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"**Offer to Purchase**" means an offer to purchase Notes by the Co-Issuers from the Holders commenced by mailing a notice by first class mail, postage prepaid, to the Trustee and each Holder at its last address appearing in the Note register stating:

(1) the provision in the Indenture pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment on a *pro rata* basis;

(2) the purchase price and the date of purchase (which shall be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the "**Offer to Purchase Payment Date**");

(3) that any Note not tendered will continue to accrue interest pursuant to its terms;

(4) that, unless the Co-Issuers default in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest on and after the Offer to Purchase Payment Date;

(5) that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled "Option of the Holder to Elect Purchase" on the reverse side of the Note completed, to the Paying Agent at the address specified in the notice prior to the close of business on the Business Day immediately preceding the Offer to Purchase Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; *provided that* each Note purchased and each new Note issued shall be in a principal amount of US$200,000 or any amount in excess thereof which is an integral multiple of US$1,000.

"**Offering Memorandum**" means the offering memorandum of the Co-Issuers, dated March 5, 2019, in connection with the offering of the Notes by the Co-Issuers.

"**Officer's Certificate**" means a certificate signed by one of the executive officers of the Parent Guarantor or, in the case of a Co-Issuer, one of the directors or officers of such Co-Issuer.

"**Original Issue Date**" means March 12, 2019.

"**Original Issue Date Undrawn Indebtedness**" means Indebtedness Incurred by an of the Co-Issuers under the facilities referenced in clauses (1), (2), (3) and (6) of the definition of Existing Senior Indebtedness (or any amendment, extension or replacement thereof *provided that* the terms thereof (x) are not less favorable to the applicable Co-Issuer then the original terms of the applicable Original Issue Date Undrawn Indebtedness facility and (y) the repayment terms are substantially identical to the original terms of the applicable Original Issue Date Undrawn Indebtedness facility), in all cases in an amount not to exceed the aggregate revolving credit commitments available under the facilities referenced in clauses (1), (2), (3) and (6) of the definition of Existing Senior Indebtedness on the Original Issue Date.

"**Opinion of Counsel**" means a written opinion from external legal counsel selected by the Parent Guarantor who is acceptable to the Trustee, in form and substance acceptable to the Trustee.

"**Parent Guarantor Loans**" means any debt instrument (which, for the avoidance of doubt, is non-convertible) made by the Co-Issuers to the Parent Guarantor from cash on hand, the proceeds of the issuance of the Notes (including Additional Notes) or the Incurrence of other Indebtedness in an aggregate amount not exceeding Rs.8.4 billion (or the foreign currency equivalent thereof) at any time outstanding; *provided, that*, (i) such debt instruments are unsecured, (ii) such debt instruments bear interest of at least 8% per annum and will be payable no less frequently than semi-annually (subject to a five Business Day cure period) and in cash, (iii) the applicable Co-Issuer agrees that it shall not waive any right to any payment of such interest and (iv) such debt instruments are made in accordance with the applicable Trust and Retention Account Agreement (to the extent that such agreement has been executed and is in effect).

"**Permitted Business**" means any business, service or activity engaged in by any of the Co-Issuers on the Original Issue Date and any other businesses, services or activities that are related, complementary, incidental, ancillary or similar to any of the foregoing, or any expansions, extensions or developments thereof, including the ownership, acquisition, development, financing, operation and maintenance of renewable power generation or power transmission or distribution facilities.

"**Permitted Collateral Liens**" means:

(1) Liens in favor of the Security Trustee created pursuant to the Indenture and the Collateral Documents with respect to the Notes (including any Additional Notes);

(2) Liens on property (including Capital Stock) existing at the time of acquisition of the property by any of the Co-Issuers; *provided that* such Liens were in existence prior to such acquisition, and not incurred in contemplation of, such acquisition;

(3) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with Ind-AS has been made therefor;

(4) Liens imposed by law, such as suppliers', carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(5) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) Liens existing on the date of the Indenture;

(7) Liens securing Permitted Pari Passu Secured Indebtedness;

(8) Liens securing Existing Senior Indebtedness;

(9) subject to applicable laws, Liens in favor of any of the Co-Issuers (including in favor of any trustee or agent on behalf thereof);

(10) Liens securing Permitted Refinancing Indebtedness which is Incurred to refinance secured Indebtedness; *provided that* such Liens do not extend to or cover any property or assets of any of the Co-Issuers other than the property or assets securing the Indebtedness being refinanced;

(11) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business; and

(12) Liens incurred or pledges or deposits made in the ordinary course of business (x) to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or governmental or other authority in connection with the operations of the Co-Issuers, or (y) in connection with workers' compensation, unemployment insurance and other types of social security and employee health and disability benefits.

"**Permitted Holders**" means any or all of the following:

(1) all shareholders of the Parent Guarantor as of the Original Issue Date;

(2) any spouse or immediate family member of any of the persons named in clause (1) above or any such spouse;

(3) any trust established for the benefit of any of the persons referred to in clause (1) or (2) above; and

(4) any Affiliate of any of the Persons referred to in clause (1), (2) or (3) above.

"**Permitted Investments**" means:

(1) any Investment in any of the Co-Issuers;

(2) any Investment in Temporary Cash Equivalents;

(3) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the "– *Asset Sales*" covenant;

(4) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of any of the Co-Issuers;

(5) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of the Co-Issuers, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;

(6) Investments represented by Hedging Obligations;

(7) loans or advances to employees made in the ordinary course of business of any of the Co-Issuers in an aggregate principal amount not to exceed US$1.0 million (or the Dollar Equivalent thereof) at any one time outstanding;

(8) repurchases of Notes;

(9) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business, or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant described under the caption "– *Certain Covenants – Liens*";

(10) (x) receivables, trade credits or other current assets owing to any of the Co-Issuers if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms, including such concessionary trade terms as such Co-Issuer considers reasonable under the circumstances, and (y) advances or extensions of credit for purchases and acquisitions of assets, supplies, material or equipment from suppliers or vendors in the ordinary course of business;

(11) Investments existing at the Original Issue Date and any Investment that amends, extends, renews, replaces or refinances such Investment; *provided, however, that* such new Investment is on terms and conditions no less favorable to the applicable Co-Issuer than the Investment being amended, extended, renewed, replaced or refinanced; and

(12) the Parent Guarantor Loans.

"**Permitted Liens**" means:

(1) Liens created for the benefit of (or to secure) the Notes (including any Additional Notes issued in accordance with the Indenture);

(2) Liens in favor of any of the Co-Issuers (including in favor of any trustee or agent on behalf thereof);

(3) Liens on property (including Capital Stock) existing at the time of acquisition of the property by any of the Co-Issuers; *provided that* such Liens were in existence prior to such acquisition, and not incurred in contemplation of, such acquisition;

(4) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(5) Liens existing on the date of the Indenture;

(6) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with Ind-AS has been made therefor;

(7) Liens imposed by law, such as suppliers', carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(8) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(9) Liens securing Permitted Refinancing Indebtedness which is Incurred to refinance secured Indebtedness; *provided that* such Liens do not extend to or cover any property or assets of any of the Co-Issuers other than the property or assets securing the Indebtedness being refinanced;

(10) Liens on property or assets securing Indebtedness used or to be used to defease or satisfy and discharge the Notes; *provided that* (a) the Incurrence of such Indebtedness was not prohibited by the Indenture and (b) such defeasance or satisfaction and discharge is not prohibited by the Indenture;

(11) Liens on cash and Temporary Cash Equivalents arising in connection with the defeasance, discharge or redemption of Indebtedness;

(12) Liens securing Indebtedness permitted to be Incurred under clause (1)(k)(x) of the covenant described under the caption "– *Certain Covenants – Indebtedness and Preferred Stock*;" *provided that* such Indebtedness is not owed to any direct or indirect shareholder of the Co-Issuer Incurring such Indebtedness;

(13) Liens securing Hedging Obligations permitted to be Incurred under clause (1)(f) of the covenant described under the caption "– *Certain Covenants – Indebtedness and Preferred Stock*;"

(14) Liens incurred or pledges or deposits made in the ordinary course of business (x) to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or governmental or other authority in connection with the operations of the Co-Issuers, or (y) in connection with workers' compensation, unemployment insurance and other types of social security and employee health and disability benefits; and

(15) Liens exclusively securing Permitted Pari Passu Secured Indebtedness to the extent permitted in Appendix A of this "*Description of the Notes*."

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**Preferred Stock**" as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"**Rating Agencies**" means S&P and Fitch; *provided that* if S&P and/or Fitch shall not make a rating of the Notes publicly available, one or two Nationally Recognized Statistical Rating Organizations selected by the Parent Guarantor, which will be substituted for S&P and/or Fitch, as the case may be.

"**Rating Category**" means (1) with respect to S&P and Fitch, any of the following categories: "BB," "B," "CCC," "CC," "C" and "D" (or equivalent successor categories); and (2) the equivalent of any such category of S&P or Fitch used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories ("+" and "-" for S&P and Fitch or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P and Fitch, a decline in a rating from "BB+" to "BB," as well as from "BB-" to "B+," will constitute a decrease of one gradation).

"**Rating Date**" means in connection with actions contemplated under the definition of "Change of Control" that date which is 60 days prior to the earlier of (x) the occurrence of any such actions as set forth therein and (y) a public notice of the occurrence of any such actions.

"**Rating Decline**" means in connection with actions contemplated under the definition of "Change of Control", the notification on, or within 60 days after, the earlier of (i) the occurrence of any such actions set forth therein or (ii) a public notice of the occurrence of any such actions that such proposed actions will result in the ratings of the Notes by any of the Rating Agencies decreasing by one or more gradations (including gradations within Rating Categories as well as between Rating Categories) below the ratings of the Notes by such Ratings Agency on the Original Issue Date.

"**Redeemable Preference Shares**" means Preferred Stock which is redeemable on its maturity date.

"**Residual Affiliate Payment Obligations**" means obligations of any of the Co-Issuers to pay the deferred and unpaid purchase price of property or services to any Affiliate of any of the Co-Issuers or the Parent Guarantor (including in respect of which provisioning has been undertaken on the balance sheet of the applicable Co-Issuer) which are outstanding as of the Original Issue Date; *provided, that* the terms of any agreement or instrument pursuant to which such obligations are evidenced, issued or remain outstanding, (i) do not require that such obligations be settled or repaid as a result of any default or otherwise, in whole or in part and (ii) do not provide for any right of the applicable Affiliate to call a default.

"**Residual Payment Obligations**" means the deferred and unpaid purchase price of property or services to external third parties (including in respect of which provisioning has been undertaken in the balance sheet of the Co-Issuers) as of December 31, 2018, up to a maximum amount of US$17 million (or the Dollar Equivalent thereof).

"**Restricted Group**" means collectively the Co-Issuers.

"**S&P**" means Standard & Poor's Ratings Group and its successors and assigns.

"**Sale and Leaseback Transaction**" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby any of the Co-Issuers transfers such property to another Person and any of the Co-Issuers leases it from such Person.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Security Trustee**" means Axis Trustee Services Limited.

"**Senior Indebtedness**" means, with respect to any Person, all obligations of such Person, whether outstanding on the Original Issue Date or thereafter created, incurred or assumed, without duplication, consisting of principal and premium, if any, accrued and unpaid interest on, and fees and other amounts relating to, all Indebtedness of such Person, including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Person, regardless of whether post-filing interest is allowed in such proceeding.

"**Share Pledges**" means the shares and other securities of the Co-Issuers which form a part of the Collateral.

"**Stated Maturity**" means, with respect to any instalment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date it was first Incurred in compliance with the Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subordinated Shareholder Debt**" means any indebtedness that is subordinated in right of payment to the Notes or the Guarantees incurred by any of the Co-Issuers owed to the Parent Guarantor or any entity majority owned, directly or indirectly, by the Parent Guarantor which, by its terms or by the terms of any agreement or instrument pursuant to which such indebtedness is issued or remains outstanding, (i) does not mature or require any amortization and is not required to be repaid, redeemed, repurchased or otherwise retired, pursuant to a sinking fund obligation, event of default or otherwise (including any redemption, retirement or repurchase which is contingent upon events or circumstance), in whole or in part, prior to the earlier of (x) six (6) months after the final Stated Maturity of the Notes and (y) six (6) months after the first date on which there are no Notes outstanding, (ii) does not provide for any right to call a default prior to the earlier of (x) six (6) months after the final Stated Maturity of the Notes and (y) six (6) months after the first date on which there are no Notes outstanding, (iii) does not require any cash payment of interest (or premium, if any) prior to the earlier of (x) six (6) months after the final Stated Maturity of the Notes and (y) six (6) months after the first date on which there are no Notes outstanding, and (iv) is not secured by a Lien on any assets of any of the Co-Issuers and is not guaranteed by any of the Co-Issuers; *provided, however, that* upon any event or circumstance that results in such indebtedness ceasing to qualify as Subordinated Shareholder Debt, such indebtedness shall constitute an incurrence of such indebtedness by the applicable Co-Issuer. Notwithstanding the foregoing, the foregoing limitations shall not be violated by provisions that permit payments of principal, premium or interest on such indebtedness if such Co-Issuer would be permitted to make such payment under the covenant described under the caption "*– Certain Covenants – Restricted Payments*."

"**Subsidiary**" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person, or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"**Surplus Account**" means, in respect of any Co-Issuer, each account which is categorized as the "Surplus Account" under its Trust and Retention Accounts Agreement(s) and "**Surplus Accounts**" means all such accounts collectively.

"**Temporary Cash Equivalents**" means any of the following:

(1) United States dollars, Indian rupees, Euros or, in the case of any of the Co-Issuers, local currencies held by such Co-Issuer from time to time in the ordinary course of their Permitted Business;

(2) direct obligations of the United States of America, Canada, a member of the European Union or India or, in each case, any agency of either of the foregoing or obligations fully and unconditionally Guaranteed by any of the foregoing or any agency of any of the foregoing, in each case maturing within one year;

(3) demand or time deposit accounts, certificates of deposit and money market deposits maturing within 365 days of the date of acquisition thereof issued by a bank or trust company that is organized under the laws of the United States of America, the United Kingdom or India and which bank or trust company (x) has capital, surplus and undivided profits aggregating in excess of US$100.0 million (or the Dollar Equivalent thereof) and (y)(A) has outstanding debt which is rated "A" or such similar equivalent rating) or higher by at least one Nationally Recognized Statistical Rating Organization or (B) is organized under the laws of India and has a long term credit rating or senior unsecured debt rating equal to or higher than India's sovereign credit rating by at least one Nationally Recognized Statistical Rating Organization or (C) is a bank owned or controlled by the government of India and organized under the laws of India;

(4) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (2) above entered into with a bank or trust company meeting the qualifications described in clause (3) above;

(5) commercial paper, maturing not more than six months after the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Guarantor) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P or Fitch;

(6) securities with maturities of six (6) months or less from the date of acquisition thereof, issued or fully and unconditionally Guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P, Moody's or Fitch;

(7) any money market fund that has at least 95.0% of its assets continuously invested in investments of the types described in clauses (1) through (5) above;

(8) any corporate debt securities which, at the date of acquisition, are rated "AAA" (or such similar equivalent rating) or higher by at least one Indian rating organization and having maturities of not more than one year from the date of acquisition; and

(9) demand or time deposit accounts, certificates of deposit and money market deposits with (i) State Bank of India, State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Indore, State Bank of Mysore, State Bank of Patiala, State Bank of Saurashtra, State Bank of Travancore, Allahabad Bank, Andhra Bank, Bank of Baroda, Bank of India, Bank of Maharashtra, Canara Bank, Central Bank of India, Corporation Bank, Dena Bank, Indian Bank, Indian Overseas Bank, Oriental Bank of Commerce, Punjab National Bank, Punjab and Sind Bank, Syndicate Bank, UCO Bank, Union Bank of India, United Bank of India, Vijaya Bank, Industrial Development Bank of India Ltd., HDFC Bank Ltd., ICICI Bank Ltd., ING Vysya Bank Ltd., Karur Vysya Bank Ltd., Kotak Mahindra Bank Ltd., Axis Bank Ltd. and YES Bank Ltd. and (ii) any other bank or trust company organized under the laws of the India whose long-term debt is rated by Moody's, S&P or Fitch as high or higher than any of those banks listed in sub-clause (i) of this paragraph.

“**Third Party Credit Facilities**” means one or more debt or commercial paper facilities, indentures or trust deeds, in each case, with banks or other institutional lenders or other lenders providing for revolving credit loans, term loans, demand loans, debt securities, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, extended, increased, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time and in each case with a maturity of one year or less.

“**Trade Payables**” means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services and payable within one year.

“**Treasury Rate**” means, with respect to any redemption date, the yield to maturity as of the earlier of (a) such redemption date or (b) the date on which such Notes are defeased or satisfied and discharged, of the most recently issued United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to March 12, 2021; *provided, however*, that if the period from the redemption date to March 12, 2021 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used. Any such Treasury Rate shall be obtained by the Co-Issuers.

“**Voting Stock**” of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

APPENDIX A – DESCRIPTION OF THE COLLATERAL

Sr. No.	Assets	Collateral Document	Time period for creation of security
ReNew Clean Energy Private Limited ("RCEPL"): 51 MW ("MP Project") – Liens will be created by RCEPL to secure that the Notes in respect of which RCEPL is acting as a primary obligor and not as a guarantor.			
1.	Mortgage over immovable property of RCEPL in respect of the MP Project located at District Ashok Nagar, Madhya Pradesh.	Equitable mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
2.	Charge over all movable (tangible and intangible) assets and current assets of RCEPL in relation to the MP Project (other than certain accounts described below).	Deed of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the benefits under the power purchase agreements and the inverter supply agreement (including related receivables, current assets and related accounts) in respect of which RCEPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
3.	Charge over project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RCEPL in respect of the MP Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the power purchase agreements and the inverter supply agreement in respect of which RCEPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares of RCEPL which are held by ReNew Solar Power Private Limited.	Share pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
ReNew Wind Energy (Rajasthan 3) Private Limited ("RWERPL"): 100.8 MW ("Bhesada Project") – Liens will be created by RWERPL to secure the Notes in respect of which RWERPL is acting as a primary obligor and not as a guarantor.			
1.	Mortgage over immovable property of RWERPL in relation to the Bhesada Project located at Karada, Lala, Sanwata, Bheeksar, Chhodia, Lakhmana, Bhopa, Punsar, Mehrari & Bhilani, District Jaisalmer, Rajasthan.	Equitable mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 4 months of the receipt of the consent from the Government of Rajasthan and any sub-lessor for the creation of such Lien to secure the relevant part of the Notes and the hedging facilities in respect of the Notes.
2.	Charge over movable (tangible and intangible) assets and current assets of RWERPL in respect of the Bhesada Project (other than certain accounts described below).	Deed of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the EPC contracts in respect of which RWERPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.

Sr. No.	Assets	Collateral Document	Time period for creation of security
3.	Charge over the project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RWERPL in respect of the Bhesada Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the EPC contracts in respect of which RWERPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares of RWERPL which are held by ReNew Power Limited.	Share pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

ReNew Wind Energy (Devgarh) Private Limited ("RWEDPL"): 49.5 MW ("Vaspet Project") – Liens will be created by RWEDPL to secure the Notes in respect of which RWEDPL is acting as a primary obligor and not as a guarantor.

1.	Mortgage over immovable property of RWEDPL in relation to the Vaspet Project located at Nigdi Khurd, Karajanagi, Ghuleshwar, Taluka-Jath, Sangli District, Maharashtra.	Equitable mortgage, indenture of mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
2.	Charge over all movable (tangible and intangible) assets and current assets of RWEDPL in relation to the Vaspet Project (other than certain accounts described below).	Deed of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the EPC contracts in respect of which RWEDPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
3.	Charge over the project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RWEDPL in respect of the Vaspet Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the EPC contracts in respect of which RWEDPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares of RWEDPL which are held by ReNew Power Limited.	Share pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

Sr. No.	Assets	Collateral Document	Time period for creation of security
Kanak Renewables Limited ("KRL"): 50.4 MW ("KRL Kustagi Project") and 60 MW ("SREI Project") Liens will be created by KRL to secure of the Notes in respect of which KRL is acting as a primary obligor and not as a guarantor.			
1.	Mortgage over immovable property of KRL in relation to the: • **KRL Kustagi Project**: located at Bagalkot and Koppal districts Karnataka; and • **SREI Project:** Located at Salkha, Modha Ganeshpura, Chhord, Bhakhrani and Sirwa, Jaisalmer District, Rajasthan	Equitable mortgage, indenture of mortgage or such other form of mortgage as may be agreed with the Security trustee	• **KRL Kustagi Project:** Within 4 months from the date of completion of final mutation of the entire land in the name of KRL, receipt of approval for conversion of land use and the receipt of mortgage creation approval by KRL in respect of the entire land to secure the relevant part of the Notes and the hedging facilities in respect of the Notes. • **SREI Project:** Within 4 months of the receipt of the consent from the Government of Rajasthan and any sub-lessor for the creation of such Lien to secure the relevant part of the Notes and the hedging facilities in respect of the Notes.
2.	Charge over all movable (tangible and intangible) assets and current assets of KRL in relation to the KRL Kustagi Project and the SREI Project (other than certain accounts described below).	Deed of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
3.	Charge over the project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by KRL in respect of the KRL Kustagi Project and the SREI Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney or such other security document as may be agreed with the Security trustee	Within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares and such other securities of KRL which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness, which are held by ReNew Power Limited.	Share pledge agreement, amended and restated pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

Sr. No.	Assets	Collateral Document	Time period for creation of security
Rajat Renewables Limited ("RRL"): 21MW ("RRL Kustagi Project") – Liens will be created by RRL to secure the Notes in respect of which RRL is acting as a primary obligor and not as a guarantor.			
1.	Mortgage over immovable property of RRL in relation to the RRL Kustagi Project located at Bagalkot and Koppal districts Karnataka.	Equitable mortgage, indenture of mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 4 months from the date of completion of final mutation of the entire land in the name of RRL, receipt of approval for conversion of land use and the receipt of mortgage creation approval by RRL in respect of the entire land to secure the relevant part of the Notes and the hedging facilities in respect of the Notes.
2.	Charge over all movable (tangible and intangible) assets and current assets of RRL in relation to the RRL Kustagi Project (other than certain accounts described below).	Deed of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
3.	Charge over the project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RRL in respect of the RRL Kustagi Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares and such other securities of RRL which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness, which are held by ReNew Power Limited.	Share pledge agreement, amended and restated pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.
ReNew Solar Energy (Telangana) Private Limited ("RSETPL") – 143MW ("Dichipally Project") – Liens will be created by RSETPL to secure the Notes in respect of which RSETPL is acting as a primary obligor and not as a guarantor.			
1.	Mortgage over immovable property of RSETPL in respect of the Dichipally Project located at Nizamabad District, Telangana.	Equitable mortgage or such other form of mortgage as may be agreed with the Security Trustee	RSETPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
2.	Charge over all movable (tangible and intangible) assets and current assets of RSETPL in relation to the Dichipally Project (other than certain accounts described below).	Deed of hypothecation, amended and restated deed of hypothecation or such other security document as may be agreed with the Security Trustee	RSETPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.

Sr. No.	Assets	Collateral Document	Time period for creation of security
3.	Charge over project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, letters of credit, bonds, guarantees and clearances) entered into by RSETPL in respect of the Dichipally Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed of hypothecation along with a power of attorney, amended and restated deed of hypothecation or such other security document as may be agreed with the Security Trustee	RSETPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares and such other securities of RSETPL which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness which are held by ReNew Solar Power Private Limited.	Share pledge agreement, amended and restated pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

ReNew Wind Energy (Budh 3) Private Limited ("RWEBPL") – 20 MW ("Ladha Project"), 20 MW ("Wadgera Project") and 20 MW ("Nirna Project") – Liens will be created by RWEBPL to secure the Notes in respect of which RWEBPL is acting as a primary obligor and not as a guarantor.

1.	Mortgage over immovable property of RWEBPL in relation to the: • **Ladha Project:** located at Ladha District, Karnataka. • **Nirna Project:** located at Village Nirna, District Bidar, Karnataka; and • **Wadgera Project:** located at Village Wadgera, District Yadgir, Karnataka.	Equitable mortgage, indenture of mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 4 months from the date of completion of final mutation of the entire land in the name of RWEBPL, receipt of approval for conversion of land use and the receipt of mortgage creation approval by RWEBPL in respect of the entire land to secure the relevant part of the Notes and the hedging facilities in respect of the Notes.
2.	Charge over all movable (tangible and intangible) assets and current assets of RWEBPL in relation to the Ladha Project, the Nirna Project and the Wadgera Project (other than certain accounts described below).	Deed(s) of hypothecation, amended and restated deed(s) of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the module supply contracts in respect of which RWEBPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
3.	Charge over project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RWEBPL in respect of the Ladha Project, the Nirna Project and the Wadgera Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed(s) of hypothecation along with power of attorney, amended and restated deed(s) of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the module supply contracts in respect of which RWEBPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.

Sr. No.	Assets	Collateral Document	Time period for creation of security
4.	Pledge of 51% of the equity shares and such other securities of RWEBPL which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness which are held by ReNew Solar Power Private Limited.	Share pledge agreement, amended and restated pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

ReNew Saur Urja Private Limited ("RSUPL") – 50 MW ("Raichur Project") and 50 MW – ("Ittigi Project") – Liens will be created by RSUPL to secure the Notes in respect of which RSUPL is acting as a primary obligor and not as a guarantor.

1.	Mortgage over immovable property of RSUPL in relation to the: • **Raichur Project:** located at Masaki, Raichur District, Karnataka; and • **Ittigi Project:** located at in Ittigi, Bellary District, Karnataka and Badami, Bagalkot District, Karnataka.	Equitable mortgage, indenture of mortgage or such other form of mortgage as may be agreed with the Security Trustee	Within 4 months from the date of completion of final mutation of the entire land in the name of RSUPL, receipt of approval for conversion of land use and the receipt of mortgage creation approval by RSUPL in respect of the entire land to secure the relevant part of the Notes and the hedging facilities in respect of the Notes.
2.	Charge over all movable (tangible and intangible) assets and current assets of RSUPL in relation to the Raichur Project and the Ittigi Project (other than certain accounts described below).	Deed(s) of hypothecation, amended and restated deed(s) of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the operations and maintenance contract for the Ittigi Project and the module supply contracts and the inverter supply agreements in respect of which RSUPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
3.	Charge over project documents (including, without limitation the power purchase agreements, EPC contracts, operation and maintenance contracts, insurance contracts, letters of credit, bonds, guarantees and clearances) entered into by RSUPL in respect of the Raichur Project and the Ittigi Project. The insurance policies (other than third party liability insurances) will be endorsed in favour of the Security Trustee.	Deed(s) of hypothecation along with power of attorney, amended and restated deed(s) of hypothecation or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date except in relation to the operations and maintenance contract for the Ittigi Project, the module supply contracts and the inverter supply agreements in respect of which RSUPL will take commercially reasonable steps to create such Lien within 5 months of the Original Issue Date.
4.	Pledge of 51% of the equity shares and such other securities of RSUPL which have been pledged for the benefit of the Persons extending the Existing Senior Indebtedness which are held by ReNew Solar Power Private Limited.	Share pledge agreement, amended and restated pledge agreement or such other security document as may be agreed with the Security Trustee	Within 5 months of the Original Issue Date.

A first ranking Lien will be created over the assets set out above, ranking pari passu with all Permitted Pari Passu Secured Indebtedness (except for the accounts listed below) and in respect of Kanak Renewables Limited and ReNew Wind Energy (Rajasthan 3) Private Limited, the Lien created over revenue land in Rajasthan will be subject to a first charge of the Government of Rajasthan. An exclusive Lien will be created over:

(a) the debt service accounts (from which interest, principal and certain other amounts in respect of the Notes and payments related to the Indebtedness Incurred under clause (1)(f) under the covenant "– Indebtedness and Preferred Stock" in respect of the Notes, will be made) for the benefit of the Holders and the hedge counterparties (and their trustees and agents) with such Lien ranking pari passu *inter se* such Persons;

(b) the debt service accounts (from which interest, principal and certain other amounts in respect of the Permitted Pari Passu Secured Indebtedness (other than the Notes and Indebtedness Incurred under clause (1)(f) under the covenant "– Indebtedness and Preferred Stock" in respect of the Notes) will be made) for the benefit of the Persons extending such Permitted Pari Passu Secured Indebtedness and with separate accounts being created for each such Person extending the Permitted Pari Passu Secured Indebtedness, if required;

(c) the interest service reserve accounts (in which an interest reserve will be maintained in respect of the Notes and the Existing Senior Indebtedness) for the benefit of the Holders and the Persons extending the Existing Senior Indebtedness (and their trustees and agents) with such Lien ranking pari passu *inter se* such Persons; and

(d) the debt service reserve accounts (in which a reserve will be maintained in respect of the Permitted Pari Passu Secured Indebtedness (other than the Notes and the Existing Senior Indebtedness)) for the benefit of the Persons extending such Permitted Pari Passu Secured Indebtedness and with separate accounts being created for each such Person extending the Permitted Pari Passu Secured Indebtedness, if required,

Each Co-Issuer and other security provider, as applicable, will take all actions required under applicable law to perfect the security interest created over the Collateral for the benefit of the Holders within 30 days from creation of each such security interest.

APPENDIX B – O&M BUDGET

All expenses are excluding taxes. Taxes will be paid as per actuals.

Vaspet 4

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	43	45	48	50	53
Insurance & other overheads	8	9	9	10	10
Buffer expenditure	30	30	30	30	30

Bhesada

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	149	156	164	172	181
Insurance & other overheads	18	19	19	20	21
Buffer expenditure	40	40	40	40	40

MP Solar 2

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	40	43	45	47	49
Insurance & other overheads	8	9	9	9	10
Buffer expenditure	30	30	30	30	30

Wadgera & Nirna

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	31	32	33	34	35
Insurance & other overheads	8	9	9	10	10
Buffer expenditure	14	14	14	14	14

Ladha

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	16	16	17	17	18
Insurance & other overheads	4	4	5	5	5
Buffer expenditure	10	10	10	10	10

KRL Kushtagi

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	0	0	44	46	48
Insurance & other overheads	8	8	9	9	10
Buffer expenditure	22	22	22	22	22

SREI

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	74	78	82	86	90
Insurance & other overheads	8	8	8	9	9
Buffer expenditure	21	21	21	21	21

RRL Kushtagi

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	0	0	18	19	20
Insurance & other overheads	3	3	4	4	4
Buffer expenditure	10	10	10	10	10

Dichipally

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	114	120	126	132	139
Insurance & other overheads	25	26	27	29	30
Buffer expenditure	49	49	49	49	49

Raichur

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	40	42	44	46	48
Insurance & other overheads	7	8	8	8	9
Buffer expenditure	17	17	17	17	17

Ittigi

	For the year ending March 31,				
	2020	2021	2022	2023	2024
	(Rs. in millions)				
O&M expenses	42	44	46	48	51
Insurance & other overheads	8	9	9	10	10
Buffer expenditure	17	17	17	17	17

APPENDIX C – ANNUAL PREPAYMENT AMOUNT

	For the year ending March 31,					
	2020	2021	2022	2023	2024	Total
	(INR million)					
Incremental Repayments..	422	419	411	2,159	2,159	5,571

TAXATION

The information below does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. In particular, the information does not consider any specific facts of circumstances that may apply to a particular purchaser and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Neither these statements nor any other statement in this offering memorandum are to be regarded as advice on the tax position of any holder or beneficial owner of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes.

Prospective purchasers of the Notes are advised to consult their own tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes, including the effect of any state or local taxes, under the tax laws applicable in India or the country of which they are residents.

Indian Taxation

The following is a summary of the existing principal Indian tax consequences for non-resident investors subscribing to the Notes. The summary is based on existing Indian taxation law and practice in force at the date of this offering memorandum and is subject to change, possibly with retroactive effect. The summary does not constitute legal or tax advice and is not intended to represent a complete analysis of the tax consequences under Indian law of the acquisition, ownership or disposal of the Notes.

Taxation of Interest

The Income Tax Act, 1961 (the "Income Tax Act") is the law relating to taxation of income in India. Under the Income Tax Act, interest income payable by issuers of securities to non-resident investors is subject to Indian tax, if the issuance proceeds are for the purpose of business carried on by the issuer in India or for the purposes of making or earning any income from any source in India. As per the Income Tax Act, a non-resident investor would be liable to pay tax on the interest at the rate of 5% (plus applicable surcharge, and health and education cess), on any interest paid on the Notes, subject to and in accordance with the conditions set out in the Income Tax Act as the Notes are long term bonds in foreign currency issued between October 1, 2014 and June 30, 2020 in accordance with Section 115A and section 194LC of the IT Act and CBDT Circular no. 15/2014 of October 17, 2014.

The rates of tax will stand reduced if the beneficial recipient is a resident of a country with which the government of India has entered into an agreement for granting relief of tax or for avoidance of double taxation (a "Tax Treaty") and the provisions of such treaty, which provide for the taxation in India of income by way of interest at a rate lower than that stated above, are fulfilled.

Tax would be required to be withheld on interest payments made on Notes at the rate of 5% (plus applicable surcharge and health and education cess), under Section 194LC of the Income Tax Act.

An applicable Tax Treaty may reduce such tax liability to such beneficial rates as provided in the applicable Tax Treaty, subject to fulfillment of the conditions prescribed therein.

In the event the Company is required to pay interest on the Notes under the guarantee, the taxability of the interest will continue to remain the same and such payment would be subject to withholding tax by the Company/Restricted Group in India.

A non-resident investor is obligated to pay such income tax in an amount equal to, or would be entitled to a refund of, as the case may be, any difference between amounts withheld in respect of interest paid on the Notes through India and its ultimate Indian tax liability for such interest, subject to and in accordance with the provisions of the Income Tax Act. The non-resident Noteholders shall be obligated to provide all necessary information and documents, as may be required by the Restricted Group.

As described in "*Description of the Notes – Additional Amounts*," subject to certain exceptions, the Restricted Group will pay such additional amounts as may be necessary in order that the net amount received by the holder of each Note after the withholding or deduction of Indian taxes from interest payments will equal the amount which would have been received had no such withholding or deduction been required.

Taxation of gains arising on disposal

Any gains arising to a non-resident investor from a disposal of the Notes held (or be deemed as held) as a capital asset will generally be chargeable to income tax in India, if the Notes are regarded as property situated in India. A non-resident investor will not generally be chargeable to income tax in India from a disposal of the Notes held as a capital asset, if the Notes are regarded as being situated outside India. The issue as to where securities such as the Notes should properly be regarded as being situated is not free from doubt. The ultimate decision, however, will depend on the view taken by Indian tax authorities on the position with respect to the situs of the rights being offered in respect of the Notes. There is a possibility that the Indian tax authorities may treat the Notes as being situated in India as each member of the Restricted Group is incorporated in and resident in India.

If the Indian tax authorities treat the Notes as being situated in India, upon disposal of the Notes:

(i) a non-resident investor who has held the Notes for a period of more than 36 months immediately preceding the date of their disposal, would be liable to pay capital gains tax at the rate of 10% (without indexation and foreign currency conversion benefit) of the capital gains (plus the applicable surcharge and health and education cess) in accordance with the provisions of Income Tax Act, subject to any lower rate provided by any applicable Tax Treaty;

(ii) a non-resident investor who has held the Notes for a period of 36 months or less would be liable to pay capital gains tax at the rate up to 40% of the capital gains (plus the applicable surcharge and health and education cess), depending on the legal status of the non-resident investor and his taxable income in India and subject to any lower rate provided by any applicable Tax Treaty; and

(iii) any income arising to a non-resident investor from the transfer of the Notes held as stock-in-trade will be considered as business income. Business income will be subject to income tax in India only to the extent, if any, that it is attributable to a "business connection in India" or, in case where a Tax Treaty is applicable, to a "permanent establishment" of the non-resident investor in India. A non-resident investor will be liable to pay Indian tax on such income at a rate of up to 40% (plus applicable surcharge and health and education cess), depending on the legal status of the non-resident investor and his or her taxable income in India, subject to any lower rate provided by any applicable Tax Treaty.

If applicable, under the tax law, tax shall be withheld by the person making any payment to a non-resident on long-term capital gains at the rates given above and short-term capital gains at 30% or 40% (plus applicable surcharge and health and education cess), depending on the legal status of the recipient of income, subject to any lower rate provided for by a Tax Treaty. Tax payable shall be computed in such a manner as prescribed in this regard under the Income Tax Act. For the purpose of tax withholding, the non-resident Noteholders shall be obliged to provide Permanent Account Number ("PAN") allotted by the Tax Authorities and all prescribed information/documents, including a Tax Residency Certificate (issued by the Tax Authorities of the country in which the investor is resident) for claiming the Tax Treaty benefits. If the Nonresident Investor does not have a PAN, a tax identification number may be submitted along with certain other details such as name, e-mail ID, contact number and address in the country of residence, along with a tax residency certificate substantiating such tax identification number.

Wealth Tax

No wealth tax is payable at present in relation to the Notes.

Estate Duty

No estate duty is payable in relation to the Notes. There are no inheritance taxes or succession duties currently imposed in respect of the Notes held outside India.

Gift Tax

No gift tax is payable at present in relation to the Notes.

Certain United States Federal Income Tax Considerations to U.S. Holders

The following discussion is a summary of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes, but does not purport to be a complete analysis of all potential tax effects. The summary is limited to consequences relevant to a U.S. holder (as defined below), except for the discussion on Additional Notes (as defined below) and on FATCA (as defined under "*– Foreign Account Tax Compliance*"). This discussion does not address the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws) or any state, local or non-U.S. tax laws. This discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as of the date hereof, and all of which are subject to change, possibly with retroactive effect. No rulings from the U.S. Internal Revenue Service (the "IRS") have been or are expected to be sought with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances, including the impact of the unearned income Medicare contribution tax or the alternative minimum tax, or to holders subject to special rules, such as certain financial institutions, United States expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. holders whose functional currency is not the United States dollar, tax-exempt entities, regulated investment companies, real estate investment trusts, partnerships or other pass through entities and investors in such entities, persons subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an applicable financial statement, and persons holding the Notes as part of a "straddle", "hedge", "conversion transaction" or other integrated transaction for U.S. federal income tax purposes. In addition, this discussion is limited to persons who purchase the Notes for cash at original issue and at their "issue price" (the first price at which a substantial amount of the Notes is sold to the public for cash, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the Notes as capital assets within the meaning of Section 1221 of the Code.

For purposes of this discussion, a "U.S. holder" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation or any entity taxable as a corporation for U.S. federal income tax purposes created or organized in the United States or under the laws of the United States, any state thereof or the District of Columbia; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. An entity or arrangement treated as a partnership for U.S. federal income tax purposes that is considering an investment in the Notes, and partners in such a partnership, should consult their tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes.

Although it is not clear whether the Notes are treated as a single debt instrument, the Co-Issuers intend to take the position (if required), and the following discussion assumes, that the Notes are treated as a single debt instrument for U.S. federal income tax purposes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of holding Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of other federal, state, local, non-U.S. or other tax laws.

Characterization of the Notes

The Co-Issuers are required to pay Additional Amounts as described under "*Description of the Notes – Additional Amounts*". In addition, in certain circumstances (see "*Description of the Notes – Repurchase of Notes Upon a Change of Control Triggering Event*" and "*Description of the Notes – Optional Redemptions*"), we may be obligated to make certain other payments on the Notes in excess of stated principal and interest. We believe (and the rest of this discussion assumes) that the amount of Additional Amounts we will be required to pay on the Notes will generally be constant throughout the term of the Notes and that there is only a remote possibility that we will be obligated to make any other additional payments. Accordingly, we believe that the Notes should not be treated as contingent payment debt instruments. Assuming such position is respected, a U.S. holder would be required to include in income the amount of any such additional payments at the time such payments are received or accrued in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes. Our position is binding on a holder, unless the holder discloses in the proper manner to the IRS that it is taking a different position. If the IRS successfully challenged this position, and the Notes were treated as contingent payment debt instruments, U.S. holders could be required to accrue interest income at a rate higher than their yield to maturity and to treat as ordinary income, rather than capital gain, any gain recognized on a sale, exchange, retirement, redemption or other taxable disposition of a Note. This disclosure assumes that the Notes will not be considered contingent payment debt instruments. U.S. holders are urged to consult their own tax advisors regarding the potential application to the Notes of the contingent payment debt instrument rules and the consequences thereof.

Payments of Stated Interest

Payments of stated interest on the Notes (including any additional amounts paid in respect of withholding taxes and without reduction for any amounts withheld) generally will be taxable to a U.S. holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

A U.S. holder may be able to claim a credit (or, at such holder's election, a deduction in lieu of such credit) with respect to any Indian withholding taxes deducted from the payment of interest on the Notes (other than any excess withholding taxes, taking into account any applicability of the tax treaty between the Republic of India and the United States) in computing such holder's U.S. federal income tax liability. Stated interest income on a Note generally will constitute foreign source income and generally will be considered "passive category income" for purposes of computing the foreign tax credit. There are significant complex limitations on a U.S. holder's ability to claim foreign tax credits. U.S. holders should consult their tax advisors regarding the creditability or deductibility of any withholding taxes.

Original Issue Discount

The Notes may be issued with original issue discount ("OID") for U.S. federal income tax purposes. In such event, U.S. holders generally will be required to include such OID in gross income (as ordinary income) on an annual basis under a constant yield accrual method regardless of their regular method of accounting for U.S. federal income tax purposes. As a result, U.S. holders will generally include any OID in income in advance of the receipt of cash attributable to such income.

The Notes will be treated as issued with OID if the stated principal amount exceeds the issue price (as defined above) by an amount equal to or more than a statutorily defined *de minimis* amount (generally, 0.0025 multiplied by the stated principal amount and the number of complete years to maturity from the issue date).

In the event that the Notes are issued with OID, the amount of OID includible in income by a U.S. holder is the sum of the "daily portions" of OID with respect to the Note for each day during the taxable year or portion thereof in which such U.S. holder holds the Note. A daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID that accrued in such period. The accrual period of a Note may be of any length and may vary in length over the term of the Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first or last day of an accrual period. The amount of OID that accrues with respect to any accrual period is the excess of (i) the product of the Note's "adjusted issue price" at the beginning of such accrual period and its "yield to maturity," determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of such period, over (ii) the amount of stated interest allocable to such accrual period. The adjusted issue price of a Note at the start of any accrual period generally is equal to its issue price, increased by the accrued OID for each prior accrual period. The yield to maturity of a Note is the discount rate that, when used in computing the present value of all principal and interest payments to be made under the Note, produces an amount equal to the issue price of the Note.

OID generally will be income from sources outside the United States and, for purposes of the U.S. foreign tax credit, generally will be considered passive category income.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a U.S. holder generally will recognize gain or loss equal to the difference, if any, between the amount realized upon such disposition (without reduction for any taxes withheld) less any amount equal to any accrued but unpaid stated interest, which will be taxable as stated interest income as discussed above to the extent not previously included in income by the U.S. holder, and such U.S. holder's adjusted tax basis in the Note. A U.S. holder's adjusted tax basis in a Note will, in general, be the cost of such Note to such U.S. holder, increased by any OID previously accrued by such U.S. holder with respect to such Note and decreased by the aggregate amount of any payments (other than stated interest) on such Note previously made to the U.S. holder. The cost of a Note will generally be the purchase price of the Note.

Any gain or loss recognized upon the sale, exchange, retirement, redemption or other taxable disposition of a Note generally will be U.S. source capital gain or loss, and generally will be long-term capital gain or loss if the U.S. holder held the Note for more than one year on the date of disposition. Long-term capital gains of non-corporate U.S. holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Because gain on the disposition of a Note is generally treated as U.S. source, the use of U.S. foreign tax credits relating to any Indian income tax imposed upon such gain may be limited. U.S. holders are urged to consult their own tax advisors regarding the tax consequences of a non-U.S. tax imposed on a disposition of the Notes, including the availability of foreign tax credits under their particular circumstances.

Additional Notes

The Co-Issuers may issue additional notes ("Additional Notes") as described under "*Description of the Notes – Further Issues*"." These Additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes in some cases, may be treated as a separate series for U.S. federal income tax purposes. In such a case, the Additional Notes may be considered to have OID (or a greater amount of OID) which may adversely affect the market value of the original Notes of such series if the Additional Notes are not otherwise distinguishable from the original Notes.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to payments of stated interest (and accruals of OID, if any) on the Notes and to the proceeds of the sale, exchange, retirement, redemption or other taxable disposition of a Note paid to a U.S. holder unless such U.S. holder properly establishes that it is a corporation or other exempt recipient. Backup withholding may apply to such payments if the U.S. holder fails to provide a taxpayer identification number or a certification that it is not subject to backup withholding.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

Individuals that own "specified foreign financial assets" (which includes debt of non-U.S. entities) with an aggregate value in excess of certain thresholds generally are required to file an information report (IRS Form 8938) with respect to such assets with their tax returns. The Notes generally will constitute specified foreign financial assets subject to these reporting requirements, unless the Notes are held in an account at certain financial institutions. Under certain circumstances, an entity may be treated as an individual for purposes of these rules.

U.S. holders are urged to consult their tax advisors regarding the application of the foregoing disclosure requirements to their ownership of the Notes, including the significant penalties for non-compliance.

Foreign Account Tax Compliance

Pursuant to Section 1471 through 1474 of the Code (provisions commonly known as "FATCA"), and subject to the proposed regulations discussed below, a "foreign financial institution" may be required to withhold U.S. tax on certain "foreign passthru payments" made after December 31, 2018 to the extent such payments are treated as attributable to certain U.S.-source payments. Under recently proposed regulations, any withholding on foreign passthru payments on Notes that are not otherwise grandfathered (as described below) would apply to passthru payments made on or after the date that is two years after the date of publication in the Federal Register of applicable final regulations defining foreign passthru payments. Taxpayers generally may rely on these proposed regulations until final regulations are issued. Debt obligations issued on or prior to the date that is six months after the date on which applicable final Treasury Regulations defining "foreign passthru payment" are published in the Federal Register generally would be "grandfathered" (and therefore not subject to withholding under FATCA) unless such obligations are materially modified after such date. Accordingly, if any Co-Issuer is treated as a foreign financial institution, FATCA is expected to apply to payments on the Notes only if there is a significant modification of such Notes for U.S. federal income tax purposes after the expiration of the grandfathering period. However, if Additional Notes are issued after the expiration of the grandfathering period, have the same CUSIP or ISIN as the original Notes issued hereby, and are subject to withholding under FATCA, then withholding agents may treat all the notes, including the Notes issued hereby, as subject to withholding under FATCA. Non–U.S. governments (including the Republic of India) have entered into intergovernmental agreements with the United States to implement FATCA in a manner that alters the rules described herein. Holders should consult their own tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there will be no additional amounts payable to compensate for the withheld amount.

INDIAN GOVERNMENT FILINGS AND APPROVALS

Subscription to Notes

The issuance of the Notes is regulated by the RBI pursuant to the ECB Guidelines. Under the ECB Guidelines, the Notes cannot be offered or sold (including by way of security) to any person who is from a Restricted Jurisdiction, or is a Restricted Overseas Person.

"**Restricted Jurisdiction**" means any jurisdiction:

(i) which is not a member of the FATF or a member of a FATF-style regional body;

(ii) whose securities market regulator is not a signatory to the International Organization of Securities Commission's (IOSCO's) "Multilateral Memorandum of Understanding (Appendix A Signatories)" or a signatory to a bilateral memorandum of understanding with the SEBI for information sharing arrangements; or

(iii) which is identified in the public statement of the FATF as:

  (a) a jurisdiction having strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter-measures apply; or

  (b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies; and

"**Restricted Overseas Person**" means (i) a person (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organization, trust, trustee, executor, administrator or other legal representative) in, or resident in, a Restricted Jurisdiction, and includes a branch of an entity located in a Restricted Jurisdiction; (ii) any multilateral or regional financial institution in which India is not a member country; and (iii) an individual (a) which is not a foreign equity holder (as defined in the ECB Guidelines) or (b) if the Notes cease to be listed on a stock exchange (which is not in India).

Issuance of Notes

Pursuant to the ECB Guidelines, any entity eligible to receive foreign direct invested is eligible to issue foreign currency denominated bonds, subject to the applicable laws of the host country. The maximum amount that any eligible borrower can raise in a financial year through the issuance of such bonds without requiring prior regulatory approval is US$750 million or its equivalent. There are certain reporting requirements under the ECB Guidelines, pursuant to which specified forms have to be filed with the RBI. Prior to issuing the Notes, each Restricted Group entity must obtain a loan registration number ("LRN") from the RBI through its designated authorized dealer bank, for the Notes issued by it. In addition, each Restricted Group entity is required to make the form ECB 2 filing through its designated authorized dealer bank in accordance with the ECB Guidelines. In order to create a charge to secure the Notes or guarantee the Notes, a no-objection certificate is required to be obtained from the designated authorized dealer bank.

Registration of charges

In terms of Section 77 of the Companies Act, 2013 every company creating a charge on its property or assets or any of its undertakings is required to register such charge with the Registrar of Companies within 30 days of creation of the charge. The Registrar of Companies may, on an application filed by the company, allow such registration to be made within a period of 60 days of creation of the charge on payment of additional fees. The Registrar of Companies may, allow such registration to be made after a period of 60 days of creation of the charge on payment of prescribed ad-valorem fees. The particulars of the charge shall be filed in the form prescribed under Rule 3 of the Companies (Registration of Charges) Rules, 2014 with the Registrar of Companies within the aforementioned time period.

Certain documents creating a mortgage over immovable properties are required to be registered under the Registration Act, 1908 with the sub-registrar of assurances within four months of their execution. If a document is not registered within this time period, the registrar of assurances may, on an application, permit registration within a further period of four months subject to payment of penalties.

PLAN OF DISTRIBUTION

Each of The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and J.P. Morgan Securities plc (together, the "**Initial Purchasers**") has, pursuant to and subject to the terms and conditions set forth in a purchase agreement (the "**Purchase Agreement**") dated March 15, 2019, severally and not jointly agreed to purchase the respective principal amount of Notes set out opposite its name below, subject to the provisions of the Purchase Agreement.

Name of the Initial Purchasers	Amount (US$)
The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch	15,000,000
J.P. Morgan Securities plc	45,000,000
Total	60,000,000

Pursuant to the Purchase Agreement, the Co-Issuers and the Parent Guarantor have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act. The Co-Issuers and the Parent Guarantor will also pay the Initial Purchasers a commission and pay certain expenses relating to the offering. The Purchase Agreement may be terminated in certain circumstances prior to payment of the issue price to the Co-Issuers.

The Initial Purchasers or any of their respective affiliates may purchase the Notes and be allocated the Notes for asset management purposes and/or proprietary purposes and not with a view to distribution.

The Co-Issuers and the Parent Guarantor have agreed that, for a period of 90 days after the date of the Purchase Agreement, they will not, directly or indirectly, offer for sale, sell, or otherwise dispose of (or enter into any transaction or device that is designed to, or would be expected to, result in the disposition by any person at any time in the future of) any of its debt securities (excluding any debt securities offered for sale, sold, or otherwise disposed of, solely within India) substantially similar to the Notes, other than as contemplated by the Purchase Agreement, without first receiving the prior written consent of the Initial Purchasers.

To the extent the Initial Purchasers intend to make any offers or sales of the Notes in the United States, or to nationals or residents of the United States, they will do so only through one or more registered broker-dealers in compliance with applicable securities laws and regulations, as well as with applicable laws of the various states.

New Issue of Securities

The Notes will constitute a new class of securities with no established trading market. Application will be made to the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. However, the Co-Issuers cannot guarantee that the Notes will remain listed on the SGX-ST or the prices at which the Notes will sell in the market after the offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after the offering. The Co-Issuers do not intend to apply for listing of the Notes on any national securities exchange in the United States or for quotation of the Notes on any automated dealer quotation system in the United States. The Initial Purchasers have advised the Co-Issuers that they presently intend to make a market in the Notes after completion of this offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice and at their sole discretion. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes.

If an active trading market for the Notes does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the Co-Issuers' operating performance and financial condition, general economic conditions and other factors.

Delivery, Payment and Settlement

The Co-Issuers expect that delivery of the Notes will be made against payment therefore on or about the date specified on the cover page of this offering memorandum, which will be the seventh business day following the date of pricing of the Notes (this settlement cycle being referred to as "T+7"). Under Rule 15(c)6-1 under the U.S. Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days unless the parties to such trades expressly agree otherwise.

Accordingly, purchasers who wish to trade the Notes on the date of pricing will be required, by virtue of the fact that the Notes will initially settle in T+7, to specify an alternative settlement cycle at the time of such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the securities on the date of pricing or the next succeeding four business days should consult their own advisors.

Price Stabilization and Short Positions

In connection with the offering, the Initial Purchasers may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the Initial Purchasers may over-allot this offering, creating a syndicate short position. The Initial Purchasers may bid for and purchase Notes in the open market to cover syndicate short positions. In addition, the Initial Purchasers may bid for and purchase Notes in the open market to stabilize the price of the Notes. These activities may stabilize or maintain the market price of the Notes above independent market levels. The Initial Purchasers are not required to engage in these activities, and may end any of these activities at any time.

Other Relationships

The Initial Purchasers and their respective subsidiaries or affiliates are part of global investment banking and securities and investment management firms that provide a wide range of financial services to a substantial and diversified client base that includes corporation, financial institutions, governments and high net worth individuals. As such they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Initial Purchasers and their respective subsidiaries or affiliates may provide also include financing and, as such, the Initial Purchasers and their respective subsidiaries or affiliates may have and/or may provide financing and enter into hedging transactions directly or indirectly to the Co-Issuers and/or the Parent Guarantor and/or any of their subsidiaries, affiliates and related entities.

Selling Restrictions

General

No action has been or will be taken in any jurisdiction by Co-Issuers or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this offering memorandum (in preliminary or final form) or any other material relating to the Co-Issuers or the Notes in any jurisdiction where action for the purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this offering memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

Persons into whose hands this offering memorandum comes are required by the Co-Issuers and the Initial Purchasers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession, distribute or publish this offering memorandum (in preliminary or final form) or any other offering material relating to the Notes, in all cases at their own expense. This offering memorandum does not constitute an offer to purchase or a solicitation of an offer to sell in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this offering memorandum comes are advised to inform themselves about and to observe any restrictions relating to the offering, the distribution of this offering memorandum and resales of the Notes. See "*Transfer Restrictions.*"

United States

The Notes and the Guarantees have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Notes and the Guarantees are being offered and sold outside of the United States in reliance on Regulation S. The Purchase Agreement provides that the Initial Purchasers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes and the Guarantees within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of the Notes and the Guarantees, an offer or sale of Notes or Guarantees within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

European Economic Area

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this offering memorandum in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of the IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000 Financial Promotion ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

India

(a) This offering memorandum has not and will not be registered or produced or made available as an offer document whether as a prospectus in respect of a public offer or an information memorandum or private placement offer letter or other offering material in respect of a private placement under the Companies Act or any other applicable Indian laws, with the Registrar of Companies, the Securities and Exchange Board of India or any other statutory or regulatory body of like nature in India, (b) the Notes will not be offered or sold, and have not been offered or sold, in India by means of any document and this offering memorandum or any other offering document or material relating to the Notes will not be circulated or distributed and have not been circulated or distributed, directly or indirectly, to any person or the public or any member of the public in India or otherwise generally distributed or circulated in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of any Indian laws, (c) this offering memorandum or any material relating to the Notes has not been and will not be circulated or distributed to any prospective investor who is a Restricted Overseas Person, and (d) the Notes will not be offered or sold and have not been offered or sold to any person who is a Restricted Overseas Person.

Hong Kong

Each Initial Purchaser has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Initial Purchaser has acknowledged that this offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Initial Purchaser has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B(1)(c) of the SFA*: In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Co-Issuers have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

TRANSFER RESTRICTIONS

Investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes.

The Notes have not been and will not be registered under the Securities Act, or any state securities laws, and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered and sold only to qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act and outside the United States in an offshore transaction in accordance with Rule 904 under the Securities Act. The Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Co-Issuers are offering and selling the Notes to the Initial Purchasers for re-offer and resale only:

- in the United States to "qualified institutional buyers," commonly referred to as "QIBs," as defined in Rule 144A in compliance with Rule 144A; and

- outside the United States in an offshore transaction in accordance with Rule 904 under the Securities Act.

The terms "offshore transaction" and "United States" have the meanings given to them in Regulation S.

Each purchaser of Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Co-Issuers and the Initial Purchasers as follows:

(1) You understand and acknowledge that the Notes have not been registered under the Securities Act or any other applicable securities laws and that the Notes are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A under the Securities Act, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below.

(2) You are not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Co-Issuers or acting on the Co-Issuers' behalf and that either:

   (a) you are a QIB, within the meaning of Rule 144A under the Securities Act and are aware that any sale of these Notes to you will be made in reliance on Rule 144A under the Securities Act, and such acquisition will be for your own account or for the account of another QIB; or

   (b) you are purchasing the Notes in an offshore transaction pursuant to Regulation S.

(3) You acknowledge that none of the Co-Issuers or the Initial Purchasers, nor any person representing any of them, has made any representation to you with respect to the Co-Issuers or the offer or sale of any of the Notes, other than the information contained in this offering memorandum, which offering memorandum has been delivered to you and upon which you are relying in making your investment decision with respect to the Notes. You acknowledge that neither the Initial Purchasers nor any person representing the Initial Purchasers make any representation or warranty as to the accuracy or completeness of this offering memorandum. You have had access to such financial and other information concerning the Co-Issuers and the Notes as you have deemed necessary in connection with your decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Co-Issuers and the Initial Purchasers.

(4) You are purchasing the Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any state securities laws, subject to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and subject to your or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the Securities Act.

(5) You agree on your own behalf and on behalf of any investor account or accounts for which you are purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the "**Resale Restriction Termination Date**") that is one year (in the case of Rule 144A Notes) after the later of the date of the original issue and the last date on which Co-Issuers or any of their affiliates were the owner of such Notes (or any predecessor thereto) only (i) to the Co-Issuers, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) for so long as the Notes are eligible pursuant to Rule 144A under the Securities Act, to a person you reasonably believe is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the Securities Act, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S under the Securities Act or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of your property or the property of such investor account or accounts be at all times within your or their control and to compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to the Co-Issuers' and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clause (v), to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (II) in each of the foregoing cases, to require that a certificate of transfer is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date.

(6) You agree that the Notes will not be offered or sold to any person who is from a Restricted Jurisdiction or is a Restricted Overseas Person.

Where,

"**Restricted Jurisdiction**" means any jurisdiction:

(i) which is not a member of the FATF or a member of a FATF-style regional body;

(ii) whose securities market regulator is not a signatory to the International Organization of Securities Commission's (IOSCO's) "Multilateral Memorandum of Understanding (Appendix A Signatories)" or a signatory to a bilateral memorandum of understanding with the SEBI for information sharing arrangements; or

(iii) which is identified in the public statement of the FATF as:

(a) a jurisdiction having strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter-measures apply; or

(b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the FATF to address the deficiencies; and

(7) "**Restricted Overseas Person**" means (i) a person (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organization, trust, trustee, executor, administrator or other legal representative) in, or resident in, a Restricted Jurisdiction, and includes a branch of an entity located in a Restricted Jurisdiction; (ii) any multilateral or regional financial institution in which India is not a member country; and (iii) an individual (a) which is not a foreign equity holder (as defined in the ECB Guidelines) or (b) if the Notes cease to be listed on a stock exchange (which is not in India).

Each purchaser acknowledges that the Rule 144A Global Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")), (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) TO THE COMPANY, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; AND (F) TO ANY PERSON WHO IS NOT A RESTRICTED OVERSEAS PERSON OR FROM A RESTRICTED JURISDICTION WHERE "**RESTRICTED JURISDICTION**" MEANS ANY JURISDICTION: (I) WHICH IS NOT A MEMBER OF THE FATF OR A MEMBER OF A FATF-STYLE REGIONAL BODY; (II) WHOSE SECURITIES MARKET REGULATOR IS NOT A SIGNATORY TO THE INTERNATIONAL ORGANIZATION OF SECURITIES COMMISSION'S (IOSCO'S) "MULTILATERAL MEMORANDUM OF UNDERSTANDING (APPENDIX A SIGNATORIES)" OR A SIGNATORY TO A BILATERAL MEMORANDUM OF UNDERSTANDING WITH THE SEBI FOR INFORMATION SHARING ARRANGEMENTS; OR (III) WHICH IS IDENTIFIED IN THE PUBLIC STATEMENT OF THE FATF

AS: (A) A JURISDICTION HAVING STRATEGIC ANTI-MONEY LAUNDERING OR COMBATING THE FINANCING OF TERRORISM DEFICIENCIES TO WHICH COUNTER-MEASURES APPLY; OR (B) A JURISDICTION THAT HAS NOT MADE SUFFICIENT PROGRESS IN ADDRESSING THE DEFICIENCIES OR HAS NOT COMMITTED TO AN ACTION PLAN DEVELOPED WITH THE FATF TO ADDRESS THE DEFICIENCIES; AND "**RESTRICTED OVERSEAS PERSON**" MEANS (I) A PERSON (INCLUDING AN INDIVIDUAL, PARTNERSHIP, UNINCORPORATED SYNDICATE, LIMITED LIABILITY COMPANY, UNINCORPORATED ORGANIZATION, TRUST, TRUSTEE, EXECUTOR, ADMINISTRATOR OR OTHER LEGAL REPRESENTATIVE) IN, OR RESIDENT IN, A RESTRICTED JURISDICTION, AND INCLUDES A BRANCH OF AN ENTITY LOCATED IN A RESTRICTED JURISDICTION; (II) ANY MULTILATERAL OR REGIONAL FINANCIAL INSTITUTION IN WHICH INDIA IS NOT A MEMBER COUNTRY; AND (III) AN INDIVIDUAL (A) WHICH IS NOT A FOREIGN EQUITY HOLDER (AS DEFINED IN THE ECB GUIDELINES) OR (B) IF THE NOTES CEASE TO BE LISTED ON A STOCK EXCHANGE (WHICH IS NOT IN INDIA).

If you purchase Notes represented by the Rule 144A Global Note, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(1) You understand that the issuance of Additional Notes under the Indenture may have the effect of extending the Resale Restriction Termination Date.

(2) You agree that you will give to each person to whom you transfer the Notes notice of any restrictions on the transfer of such Notes.

(3) You acknowledge that the Registrar will not be required to accept for registration or transfer any Notes acquired by you except upon presentation of evidence satisfactory to the Co-Issuers and the Registrar that the restrictions set forth therein have been complied with.

(4) You acknowledge that the Co-Issuers, the Initial Purchasers and others will rely upon the truth and accuracy of your acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by your purchase of the Notes is no longer accurate, you shall promptly notify the Co-Issuers and the Initial Purchasers. If you are acquiring any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each such investor account and that you have full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(5) You understand that no action has been taken in any jurisdiction (including the United States) by the Co-Issuers or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of this offering memorandum or any other material relating to the Co-Issuers or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of Distribution*".

(6) You agree that the Notes will not be offered or sold to any person who is from a Restricted Jurisdiction or is a Restricted Overseas Person.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for the Parent Guarantor and the Restricted Group by Cyril Amarchand Mangaldas as to matters of Indian law.

Certain legal matters in connection with this offering will be passed upon for the Initial Purchasers by Linklaters Singapore Pte. Ltd. as to matters of New York and U.S. federal securities laws.

CONSULTANT

The Consultant's Report titled "*EBITDA Projections*" included as Appendix A to this offering memorandum has been prepared by KPMG India Private Limited, and is included herein in reliance upon the authority of such firm as a leading consulting and advisory firm experienced in the energy sector in India. This report should be read in its entirety by all prospective investors for the information contained therein with respect to the projects and the related matters discussed therein. See "*Risk Factors – Risks relating to the Financial Information and Projections of the Group and the Restricted Group – Investors should not rely on the projections contained herein, as the projections themselves and their underlying assumptions may be inaccurate*." Our statutory auditors have not provided any assurance on the prospective financial information nor have performed any service with respect to it.

INDUSTRY CONSULTANT

The information contained in the section entitled "*Industry Overview*" was prepared by CRISIL Limited, the Group's advisor with required expertise on the Indian wind and solar industry, in a report titled "*Outlook on the Renewable Energy Market in India*" dated February 2019. CRISIL Limited has given and has not withdrawn its written consent to the issue of this offering memorandum with the inclusion herein of its name and all references thereto and to the inclusion of the section entitled "*Industry Overview*" in the form and context in which it appears.

INDEPENDENT AUDITORS

The Group's audited consolidated financial statements as at and for the years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 have been audited by S.R. Batliboi & Co. LLP, and their auditor's reports for the years ended March 31, 2017 and 2018 and the nine months ended December 31, 2017 are included herein. The Group's financial information as on and for the year ended March 31, 2016 has been extracted from the comparatives as presented in the audited financial statements of the Group as on and for the year ended March 31, 2017.

The Restricted Group's audited special purpose combined financial statements as at and for the years ended March 31, 2016, 2017 and 2018 have been prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, included in this offering memorandum, have been audited by S.R. Batliboi & Co. LLP, and their auditor's reports for the years ended March 31, 2016, 2017 and 2018 are included herein.

The Group's reviewed interim consolidated financial statements as at and for the nine months ended December 31, 2018 prepared in accordance with Ind AS included in this offering memorandum have been reviewed by S.R. Batliboi & Co. LLP, and their review report for the nine months ended December 31, 2018 is included herein.

The Restricted Group's unaudited special purpose interim combined financial statements as at and for the nine months ended December 31, 2017 and 2018 prepared in accordance with recognition and measurement principles of Ind AS 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India, included in this offering memorandum, have been reviewed by S.R. Batliboi & Co. LLP, and their review reports for the nine months ended December 31, 2017 and 2018 are included herein.

Ostro Energy's audited consolidated financial statements as at and for the year ended March 31, 2018 have been audited by S.R. Batliboi & Co. LLP, and their auditor's report for the year ended March 31, 2018 is included herein.

ENFORCEABILITY OF CIVIL LIABILITIES

The Restricted Group entities are incorporated under the laws of India. Substantially all of our directors and key management personnel are residents of India and all of our assets are located in India. As a result, it may not be possible for investors to effect service of process on us or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India including those predicated upon civil liabilities of us or such directors and key management personnel under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

In addition, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. The statutory basis for recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Indian Code of Civil Procedure, 1908 (the "Civil Code"). Section 44A of the Civil Code provides that, where a foreign judgment has been rendered by a superior court in any country or territory outside India which the GoI has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, section 44A of the Civil Code is applicable only to monetary decrees other than those being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and is not applicable to arbitration awards, even if such awards are enforceable as a decree or judgment.

While each of the United Kingdom, Singapore and Hong Kong has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code and the High Courts in England as the relevant superior courts, the United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Furthermore, the execution of foreign decree under Section 44A of the Civil Code is also subject to the exception under Section 13 of the Civil Code, as discussed below. Accordingly, a judgment of a superior court in the United Kingdom may be enforceable by proceedings in execution, and a judgment not of a superior court, by a fresh suit resulting in a judgment or order. A judgment of a court in a jurisdiction which is not a reciprocating territory, including that of a court in the United States, may be enforced only by a new suit upon the judgment and not by proceedings in execution. Section 13 of the Civil Code provides that a foreign judgment to which this section applies shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim to litigate under the same title except: (i) where it has not been pronounced by a court of competent jurisdiction; (ii) where it has not been given on the merits of the case; (iii) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where it has been obtained by fraud; or (vi) where it sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon judgment or by proceedings in execution. Under the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on record and such presumption may be displaced by proving, want of jurisdiction. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice.

A party seeking to enforce a foreign judgment in India is required to obtain approval from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, to execute such a judgment and repatriate outside India any amount recovered pursuant to execution, and any such amount may be subject to income tax in accordance with applicable laws. Any judgment in a foreign currency would be converted into Rupees on the date of the judgment and not on the date of the payment.

We would not be entitled to immunity based on sovereignty from any legal proceedings in India. We cannot predict whether a suit in India will be disposed of in a timely manner or be subject to considerable delay.

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN IND AS AND IFRS

The Group's audited consolidated financial statements as of and for the years ended March 31, 2017 and 2018 and reviewed interim consolidated financial statements as of and for the nine months ended December 31, 2017 and 2018, the Restricted Group's audited special purpose combined financial statements as at and for the year ended March 31, 2016, 2017 and 2018 and reviewed special purpose interim combined financial statements as of and for the nine months ended December 31, 2017 and 2018, and Ostro Energy's audited consolidated financial statements as of and for the year ended March 31, 2018 have been prepared in accordance with Ind AS. The Group's financial information as on and for the year ended March 31, 2016 has been extracted from the comparatives as presented in the audited financial statements of the Group as on and for the year ended March 31, 2017.

The following table summarizes certain of the areas in which differences in accounting between Ind AS and IFRS could be significant to the financial position and results of operations of the Group, the Restricted Group and Ostro Energy. This summary should not be taken as an exhaustive list of all the differences between Ind AS and IFRS. No attempt has been made to identify all recognition and measurement, presentation or classification differences that would affect the manner in which transactions or events are presented in such financial statements (or notes thereto) of the Group, the Restricted Group and Ostro Energy. Management has not quantified all of the effects of the differences discussed below.

Potential investors should consult their own professional advisors for an understanding of the differences between Ind AS and IFRS, and how those differences might affect the financial information disclosed in this offering memorandum.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
1	Ind AS 101	Deemed cost exemption for property, plant and equipment	Ind AS 101 also provides similar deemed cost exemption. In addition, if there is no change in the functional currency at the transition date, Ind AS 101 allows a first-time adopter to continue with the previous GAAP carrying value for all of its PPE as recognized in the previous GAAP financial statements at the transition date. The same is used as deemed cost at that date, after making adjustment for decommissioning liabilities. In Ind AS CFS, the previous GAAP amount of the subsidiary is the amount used in the previous GAAP CFS. If an entity avails the option under this paragraph, no further adjustments to the deemed cost so determined is made. Similar exemption is also available for intangible assets and investment property. Fair value as deemed cost exemption is not allowed for investment property.	IFRS 1 permits a first-time adopter to measure its items of property, plant and equipment (PPE) at deemed cost at the transition date. The deemed cost can be: The fair value of the item at the date of transition A previous GAAP revaluation at or before transition date, if revaluation met certain criteria Similar exemption is also available for intangible assets and investment property measured at cost.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
2	Ind AS 101	Additional exemptions relating to composite leases and land lease	Ind AS 101 provides the following additional exemptions: – When a lease includes both land and building elements, a first time adopter may assess the classification of each element as finance or operating lease at the date of transition to Ind AS based on the facts and circumstances existing as at that date. – If there is any land lease newly classified as finance lease, then the first time adopter may recognise asset and liability at fair value on that date. Any difference between those fair values is recognised in retained earnings.	Under IFRS 1, an entity classifies a lease based on the lease terms that are in force at its date of transition based on the circumstances that existed at the inception of the lease.
3	Ind AS 101	Exchange differences arising on long-term monetary items	Under the erstwhile Indian GAAP, companies recognized exchange differences arising on restatement of foreign currency monetary items, both long term and short term, in the profit or loss immediately. Alternatively, they were given an irrevocable option to defer/capitalize exchange differences on long-term foreign currency monetary items. For the companies applying second option under the erstwhile Indian GAAP, Ind AS 101 provides an additional option. They may continue to account for exchange differences arising on long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of first Ind AS reporting period using the previous GAAP accounting policy. Ind AS 21 does not apply to exchange differences arising on such long term foreign currency monetary items.	IAS 21 requires exchange differences arising on restatement of foreign currency monetary items, both long term and short term, to be recognized in the income statement for the period.
4	Ind AS 101	Additional exemption relating to non-current assets held for sale and discontinued operations	Ind AS 101 allows a first-time adopter to use the transition date circumstances to measure the non-current assets held for sale and discontinued operations at the lower of carrying value and fair value less cost to sell.	There is no exemption under IFRS 1 relating to non-current assets held for sale and discontinued operations.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
5	Ind AS 1	Current/non-current classification on breach of debt covenant	First, Ind AS 1 refers to breach of material provision, instead of any provision. This indicates that breach of immaterial provision may not impact loan classification. Second, under Ind AS 1, waivers granted by the lender or rectification of breach between the end of the reporting period and the date of approval of financial statements for issue are treated as adjusting event. A corresponding change has also been made in Ind AS 10.	If an entity breaches a provision of a long-term loan arrangement on or before the period end with the effect that the liability becoming payable on demand, the loan is classified as current liability. This is the case even if the lender has agreed, after the period end and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach. Such waivers granted by the lender or rectification of a breach after the end of the reporting period are considered as non-adjusting event and disclosed.
6	Ind AS 1	Analyses of expenses in the statement of profit and loss	Ind AS 1 requires entities to present an analysis of expenses recognized in profit or loss using a classification based on their nature only. Thus, there is no option to use functional classification for presentation of expenses.	IAS 1 requires an entity to present an analysis of expenses recognized in profit or loss using a classification based on either their nature or their function within the entity, whichever provides the information that is reliable and more relevant.
7	Ind AS 1	Materiality and aggregation	Ind AS 1 modifies these requirement by adding the words 'except when required by law.' Hence, if the applicable law requires separate presentation/disclosure of certain items, they are presented separately irrespective of materiality.	IAS 1 requires: – each material class of similar items to be presented separately in the financial statements; and – items of a dissimilar nature or function to be presented separately unless they are immaterial Also, IAS 1 states that specific disclosure need not be provided if the same is considered immaterial.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
8	Ind AS 7	Classification of interest paid and interest and dividend received	Ind AS 7 does not give an option It requires non-financial entities to classify interest paid as part of 'financing activities' and interest and dividend received as 'investing activities'.	For non-financial entities, interest paid and interest and dividends received may be classified as 'operating activities'. Alternatively, interest paid and interest and dividends received may be classified as 'financing activities' and 'investing activities' respectively.
9	Ind AS 7	Classification of dividend paid	Dividend paid may be classified either as operating or financing cash flows.	Dividend paid is classified as financing cash flows.
10	Ind AS 103	Bargain purchase gains	Ind AS 103 requires bargain purchase gain to be recognized in OCI and accumulated in the equity as capital reserve. However, if there is no clear evidence for the underlying reason for bargain purchase, the gain is directly recognized in equity as capital reserve, without routing the same through OCI. A similar change has also been made with regard to bargain purchase gain arising on investment in associate/JV, accounted for using the acquisition method.	Where consideration transferred for business acquisition is lower than the acquisition date fair value of net assets acquired, the gain is recognized in the income statement after a detailed reassessment.
11	Ind AS 103	Common control business combinations	Ind AS 103 requires business combinations of entities or businesses under common control to be mandatorily accounted using the pooling of interest method. The application of this method requires the following: – Assets and liabilities of the combining entities are reflected at their carrying amounts. – No adjustments are made to reflect fair values, or recognize any new assets or liabilities. – Financial information in respect of prior periods is restated as if business combination has occurred from the beginning of the earliest period presented.	IFRS 3 excludes from its scope common control business combinations.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
			– The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee; alternatively, it is transferred to general reserves, if any. – The identity of the reserves is preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. – The difference between the amount recorded as share capital issued plus any additional consideration in cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves.	
12	Ind AS 17	Straight-ling of lease rentals in operating leases	Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless either: (a) Another systematic basis is more representative of the time pattern of the user's benefit, or (b) Payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.	Rental under an operating lease are recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.
13	Ind AS 28	Uniform accounting policies	Ind AS 28 also requires the use of uniform accounting policies. However, an exemption on the grounds of "impracticability" has been granted for associates. This is for the reason that the investor does not have "control" over the associate and it may not be able to influence the associate to prepare additional financial statements or to follow the accounting policies that are followed by the investor.	Compliance with uniform accounting policies is mandatory.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
14	Ind AS 40	Use of the fair value model	Ind AS 40 does not permit the use of fair value model for subsequent measurement of investment property. It however requires the fair value of the investment property to be disclosed in the notes to financial statements. Consequent to the above change, companies are not allowed to use even fair value as deemed cost exemption for IP at the date of transition to Ind AS.	An entity has an option to apply either the cost model or the fair value model for subsequent measurement of its investment property. If the fair value model is used, all investment properties, including investment properties under construction, are measured at fair value and changes in the fair value are recognized in the profit or loss for the period in which it arises. Under the fair value model, the carrying amount is not required to be depreciated. Among other options, companies are allowed to use fair value as deemed cost exemption for IP at the date of transition to IFRS.
15	Ind AS 27	Use of equity method to account for investments in subsidiaries, joint ventures and associates in SFS	Ind AS 27 does not allow the use of equity method to account for investments in subsidiaries, joint ventures and associates in SFS. The reason for the same that Ind AS considers equity method to be a manner of consolidation rather than a measurement basis.	IAS 27 allows an entity to use the equity method to account for its investments in subsidiaries, joint ventures and associates in its SFS. Consequently, an entity is permitted to account for these investments either: – At cost – In accordance with IFRS 9 – Using the equity method This is an accounting policy choice for each category of investment.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
16	Ind AS 24	Definition of close members of the family of a person	Definition "close members of the family" under Ind AS 24 is similar. In addition to relations prescribed under IFRS, it includes brother, sister, father and mother in sub-paragraph (a).	As per IAS 24, "close members of the family" of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity. They may include: – the person's spouse or domestic partner and children, – children of the person's spouse or domestic partner, and – dependents of the person or the person's spouse or domestic partner.
17	Ind AS 115	Variable consideration – Penalties	Where the penalty is inherent in determination of transaction price, it will form part of variable consideration. For example, where an entity agrees to transfer control of a good or service in a contact with a customer at the end of 30 days for INR100,000 and if it exceeds 30 days, the entity is entitled to receive only INR95,000, the reduction of INR5,000 will be regarded as variable consideration. In other cases, the transaction price will be considered as fixed.	The amount of consideration, among other things, can vary because of penalties.
18	Ind AS 115	Disclosure of reconciliation between revenue and contracted price	Ind AS 115 contains all the disclosure requirement in IFRS 15. In addition, Ind AS 115 requires presentation of a reconciliation between the amount of revenue recognised in statement of profit or loss and the contracted price showing separately adjustments made to the contracted price, for example, on account of discounts, rebates, refunds, price concessions, incentives, bonus, etc. specifying the nature and amount of each such adjustment separately.	IFRS 15 requires extensive qualitative and quantitative disclosures including those on disaggregated revenue, reconciliation of contract balances, performance obligations and significant judgments.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
19	Ind AS 23	Exchange differences regarded as adjustment to interest costs	In accordance with IAS 23, borrowing cost includes exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. However, it does not provide any specific guidance on measurement of such amounts.	Ind AS 23 is similar to IAS 23. However, Ind AS 23 provides following additional guidance on manner of arriving at this adjustment: The adjustment should be of an amount equivalent to the extent to which the exchange loss does not exceed the difference between the costs of borrowing in functional currency when compared to the costs of borrowing in a foreign currency. If there is an unrealized exchange loss which is treated as an adjustment to interest and subsequently there is a realized or unrealized gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognized as an adjustment should also be recognized as an adjustment to interest.
20	Ind AS 1	Statements of comprehensive income/Statement of profit and loss	Ind AS 1 allows only the single statement approach and does not permit the two statements approach. For deletion of two statements approach, consequential amendments have been made in other Ind AS also.	With regard to preparation of statement of profit and loss, IFRS provides an option either to follow the single statement approach or to follow the two statement approach. An entity may present – a single statement of profit or loss and other comprehensive income, with profit or loss and other comprehensive income presented in two sections; or – it may present the profit or loss section in a separate ‘statement of profit or loss’ which shall immediately precede the ‘statement of comprehensive income’, which shall begin with profit or loss.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
21	Ind AS 1	Frequency of reporting	Ind AS 1 does not permit entities to use a periodicity other than one year to present their financial statements.	In accordance with IAS 1, an entity consistently prepares financial statements for one-year period. However, for practical reasons, some entities prefer to report, for example, for a 52-week period. IAS 1 does not preclude this practice.
22	Ind AS 33	Applicability of EPS	This scope requirement has been deleted in the Ind AS as the applicability or exemptions is governed by Companies Act, 2013 and the rules made thereunder. Since there is no exemption from disclosing EPS under the Companies Act, all companies covered under Ind AS need to disclose EPS.	IAS 33 applies only to an entity whose ordinary shares or potential ordinary shares are traded in a public market or that files, or is in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing ordinary shares in a public market.
23	Ind AS 33	Presentation of EPS in separate financial statements	Ind AS 33 requires EPS related information to be disclosed both in CFS and SFS. In CFS, such disclosures will be based on consolidated information. In SFS, such disclosures will be based on information given in the SFS.	IAS 33 provides that when an entity presents both consolidated financial statements (CFS) and separate financial statements (SFS), it may give EPS related information in CFS only.
24	Ind AS 108	Applicability of operating segments	This scope requirement has been deleted in the Ind AS as the applicability or exemptions is governed by Companies Act, 2013 and the rules made thereunder. Currently, the Companies Act does not exempt any company (except few government companies in defence sector) from presentation of segment information.	IFRS 8 applies only to an entity whose ordinary shares or potential ordinary shares are traded in a public market or that files, or is in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing ordinary shares in a public market.
25	Ind AS 24	Aggregation of transactions for disclosure	Ind AS 24 provides an additional guidance whereby items of similar nature may be disclosed in aggregate by type of related party. However, this is not done in such a way as to obscure the importance of significant transactions. Hence, purchases or sales of goods are not aggregated with purchases or sales of fixed assets. Nor a material related party transaction with an individual party is clubbed in an aggregated disclosure.	IFRS does not provide any guidance on the aggregation of transaction for disclosure.

S No.	Ind AS	Particulars	Treatment as per Ind AS	Treatment as per IFRS
26	Ind AS 101	First-time adoption – Comparative information	The ITFG has clarified that due to the Companies Act notification, a first-time adopter can give Ind AS comparative information only for one year.	IFRS 1 requires comparative information for minimum one year. If an entity elects, it can give comparative information for more than one year.
27	Ind AS 101	First-time adoption – Exemption relating to borrowing cost	There is no such exemption under Ind AS 101, since Indian GAAP requires the borrowing cost relating to qualifying assets to be capitalized if the criteria laid down in AS 16 are fulfilled.	IFRS 1 permits a first time adopter to apply the requirements of IAS 23 from the date of transition or from an earlier date as permitted by the transitional requirements of IAS 23.
28	N/A	Preparation of combined and carve-out financial statements	Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of The Institute of Chartered Accountants of India provides guidance on preparation of combined and carve-out financial statements.	IFRS does not provide any guidance on the this matter.

INDEX TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

Consolidated Financial Statements of the Group

Combined Financial Statements of the Restricted Group

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

Limited Review Report

Review Report to
The Board of Directors
ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)

Introduction

We have reviewed the accompanying Unaudited Interim Consolidated Financial Statements of ReNew Power Limited ('hereinafter referred to as the "Company"), its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its entities under joint control, which comprise the consolidated Balance Sheet as at 31 December 2018 and the related Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the nine months period ended 31 December 2018 and the related notes, comprising a summary of the significant accounting policies and other explanatory information (together referred to as the "Interim Consolidated Financial Statements").

The preparation of the Interim Consolidated Financial Statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as above and on consideration of reports of other auditors on the Unaudited Separate Interim Financial Statements and on the other financial information of the subsidiaries, nothing has come to our attention that causes us to believe that the accompanying Interim Consolidated Financial Statements has not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies.

S.R. BATLIBOI & CO. LLP
GURUGRAM

S.R. Batliboi & Co. LLP, a Limited Liability Partnership with LLP Identity No. AAB-4294
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

Emphasis of matter

We draw attention to Note 50 to the Interim Consolidated Financial Statements, related to the recoverability of dues under litigation amounting to Rs. 1,340 million from Southern Power Distribution Company of A.P. Limited. The Company has filed a writ petition before the Andhra Pradesh High Court (the "AP High Court") challenging the order passed by Andhra Pradesh Electricity Regulatory Commission and a stay order has been granted by the AP High Court. Pending the outcome of the case, which is not presently determinable, no adjustment has been made to the Interim Consolidated Financial Statements. Our conclusion is not qualified in respect of this matter.

Other matter

We did not review the financial statements and other financial information, in respect of 66 subsidiaries, whose interim financial statements include total assets of Rs. 118,562 million and net assets of Rs. 10,015 million as at 31 December 2018, and total revenues of Rs. 11,457 million and net cash outflows of Rs. 4,348 million for the nine months period ended on that date. These interim financial statements and other financial information have been reviewed by other auditors, whose interim financial statements, other financial information and whose reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.

The Interim Consolidated Financial Statements has been prepared solely in connection with the proposed issuance of USD denominated Notes by certain specific subsidiaries of the Company as listed in note 2 of these financial statements, collectively known as the "Restricted Group" for which the Company is a guarantor and for inclusion in the Offering Memorandum. As a result, these Interim Consolidated Financial Statements may not be suitable for another purpose.

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 * GURUGRAM *

Place of Signature: Gurugram
Date: 11 February 2019

ReNew Power Limited
Unaudited Interim Consolidated Balance Sheet as at 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 December 2018	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	6	249,339	238,442
Capital work in progress	6	10,943	7,444
Goodwill	7	10,953	10,953
Intangible assets	7	25,714	25,208
Intangible assets under development	7	148	1,424
Investment in jointly controlled entities	8	979	1,000
Financial assets			
Investment	9	643	643
Loans	9	70	62
Others	9	222	2,533
Deferred tax assets (net)	10A	1,868	1,523
Prepayments	11	3,444	1,720
Other non-current assets	12	15,940	7,085
Total non-current assets		**320,263**	**298,037**
Current assets			
Inventories	13	627	153
Financial assets			
Investments	9	-	9,269
Derivative instruments	14	1,453	75
Trade receivables	15	17,445	6,701
Cash and cash equivalent	16	6,451	13,914
Bank balances other than cash and cash equivalent	16	17,761	10,322
Loans	9	23	34
Others	9	2,016	4,755
Prepayments	11	718	492
Other current assets	12	2,375	2,016
Total current assets		**48,869**	**47,731**
Total assets		**369,132**	**345,768**
Equity and liabilities			
Equity			
Equity share capital	17A	3,799	3,772
Other equity			
Share application money pending allotment	18.1	1	-
Securities premium	18.2	67,160	66,376
Capital reserve	18.3	114	114
Debenture redemption reserve	18.4	3,093	2,422
Hedge reserve	18.5	(526)	(271)
Share based payment reserve	18.6	1,027	1,027
Foreign currency translation reserve	18.7	(1)	-
Retained earnings	18.8	(543)	(2,175)
Equity attributable to owners of the parent		**74,124**	**71,265**
Non-controlling interests		3,659	3,414
Total equity		**77,783**	**74,679**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	19	221,705	209,288
Deferred government grant	20	455	287
Long-term provisions	21	69	47
Deferred tax liabilities (net)	10B	6,350	5,907
Other non-current liabilities	22	2,935	2,274
Total non-current liabilities		**231,514**	**217,803**

ReNew Power Limited
Unaudited Interim Consolidated Balance Sheet as at 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 December 2018	As at 31 March 2018
Current liabilities			
Financial liabilities			
Short-term borrowings	23	26,889	19,365
Trade payables	24		
Outstanding dues to micro enterprises and small enterprises		-	-
Others		3,463	2,735
Derivative instruments	25	695	931
Other current financial liabilities	26	27,770	28,810
Deferred government grant	20	22	12
Other current liabilities	27	543	1,221
Short-term provisions	28	453	212
Total current liabilities		**59,835**	**53,286**
Total liabilities		**291,349**	**271,089**
Total equity and liabilities		**369,132**	**345,768**
Summary of significant accounting policies	5.1		

The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements.

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

ReNew Power Limited
Unaudited Interim Consolidated Statement of Profit and Loss for the nine month period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Income:			
Revenue from operations	29	34,491	18,925
Other income	30	3,528	2,123
Total income (i)		**38,019**	**21,048**
Expenses:			
Cost of raw material and components consumed	31	2	144
Employee benefits expense	32	737	624
Other expenses	33	3,845	2,225
Total expenses (ii)		**4,584**	**2,993**
Earning before interest, tax, depreciation and amortization (EBITDA) (i)-(ii)		**33,435**	**18,055**
Depreciation and amortization expense	34	9,251	5,105
Finance costs	35	20,225	10,822
Profit before share of profit of jointly controlled entitles and tax		**3,959**	**2,128**
Share in loss of jointly controlled entities		(16)	-
Profit before tax		**3,943**	**2,128**
Tax expense			
Current tax		1,259	586
Deferred tax		188	142
Adjustment of tax relating to earlier periods		(16)	-
Profit for the period	**(a)**	**2,512**	**1,400**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges		(322)	549
Income tax effect		85	(180)
		(237)	369
Exchange differences on translation of foreign operations		(1)	-
Income tax effect		-	-
		(1)	-
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	**(b)**	**(238)**	**369**
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss of defined benefit plan		(20)	9
Income tax effect		5	(3)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**(c)**	(15)	6
Other comprehensive income for the period, net of taxes	**(d)=(b)+(c)**	**(253)**	**375**
Total comprehensive income for the period	**(a)+(d)**	**2,259**	**1,775**

Profit for the period	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Attributable to:		
Equity holders of the parent	2,286	1,222
Non-controlling interests	226	180
Total comprehensive income for the period		
Attributable to:		
Equity holders of the parent	2,015	1,629
Non-controlling interests	244	149

ReNew Power Limited
Unaudited Interim Consolidated Statement of Profit and Loss for the nine month period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Earnings per share:			
(face value per share: INR 10)			
(1) Basic attributable to equity shareholders of the parent	36	6.02	3.61
(2) Diluted attributable to equity shareholders of the parent	36	5.93	3.54
Summary of significant accounting policies	5.1		

The accompanying notes are an integral part of the Unaudited Interim 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: 11 February 2019

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

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

ReNew Power Limited
Unaudited Interim Consolidated Statement of Cash Flows for the nine month period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Profit before tax	3,959	2,128
Adjustments for:		
Depreciation/amortisation	9,251	5,105
Loss/(profit) on sale of property plant and equipment and capital work in progress	43	(1)
Share in loss of jointly controlled entities	16	-
Deferred revenue	(5)	5
Insurance expense	(66)	-
Government grant- viability gap funding	(17)	(8)
Gain on ineffectiveness on derivative instruments designated as cash flow hedge (net)	(25)	(4)
Operation and maintenance reserve	860	492
Share based payments	118	251
Provision for doubtful debts	4	-
Unamortised ancillary borrowing cost written off	263	200
Interest income	(1,052)	(804)
Interest expense	19,678	10,269
Profit on sale of Mutual fund	(272)	-
Advances written off	-	47
Operating profit/(loss) before working capital changes	**32,755**	**17,680**
Movement in working capital		
(Increase)/decrease in trade receivables	(10,748)	(3,209)
(Increase)/decrease in inventories	(474)	(24)
(Increase)/decrease in other current financial assets	3,068	(825)
(Increase)/decrease in other non-current financial assets	(8)	(60)
(Increase)/decrease in other current assets	(359)	(1,220)
(Increase)/decrease in other non-current assets	(303)	107
(Increase)/decrease in prepayments	(1,950)	(10)
Increase/(decrease) in other current financial liabilities	1	1
Increase/(decrease) in other current liabilities	(885)	(762)
Increase/(decrease) in other non current liabilities	14	-
Increase/(decrease) in trade payables	728	1,708
Increase/(decrease) in provisions	13	(37)
Cash generated from operations	**21,852**	**13,349**
Direct taxes paid (net of refunds)	(955)	(612)
Net cash generated/(used) in operating activities	**20,897**	**12,737**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress, intangibles including intangible assets under development, capital creditors and capital advances	(39,545)	(40,702)
Investments of deposits having residual maturity more than 3 months	(5,128)	(5,103)
Investment in mutual funds redeemed/(made) (net)	9,540	(8,019)
Purchase consideration paid (net of cash acquired)	(792)	(4,349)
Interest received	881	758
Net cash used in investing activities	**(35,044)**	**(57,415)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	557	(7)
Receipt of share application money pending for allotment/(payment) of share application money due for refund	1	(2)
Government grant received	47	281
Proceeds from long-term borrowings	58,445	51,722
Repayment of long-term borrowings	(41,723)	(12,887)
Loan taken from related parties	729	-
Loan repaid to related parties	(156)	-
Proceeds from short-term borrowings	33,556	(8,485)
Repayment of short-term borrowings	(26,605)	-
Interest paid	(18,167)	(8,888)
Net cash generated from financing activities	**6,684**	**21,734**
Net (decrease) / increase in cash and cash equivalents	**(7,463)**	**(22,944)**
Cash and cash equivalents at the beginning of the period	**13,914**	**27,139**
Cash and cash equivalents at the end of the period	**6,451**	**4,195**
Components of cash and cash equivalents		
Cash on hand	0	0
Cheque on hand	0	-
Balances with banks:		
- On current accounts	5,403	1,569
- On deposit accounts with original maturity of less than 3 months	1,048	2,626
Total cash and cash equivalents (note 16)	**6,451**	**4,195**

(Amounts in INR millions, unless otherwise stated)

Particulars	Opening balance as at 1 April 2018	Cash flows (net)	Other Changes*	Closing balance as at 31 December 2018
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	219,084	16,722	2,234	238,040
Short-term borrowings	19,365	7,524	-	26,889
Derivative instruments	931	-	(236)	695
Total liabilities from financing activities	**239,380**	**24,246**	**1,998**	**265,624**

Particulars	Opening balance as at 1 April 2017	Cash flows (net)	Other Changes*	Closing balance as at 31 December 2017
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	104,191	38,835	195	143,221
Short-term borrowings	16,575	(8,485)	-	8,090
Derivative instruments	2,244	-	(364)	1,880
Total liabilities from financing activities	**123,010**	**30,350**	**(169)**	**153,191**

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

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

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

ReNew Power Limited
Unaudited Interim Consolidated Statement of Changes in Equity for the nine month period ended 31 December 2018
(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	Share application money pending allotment	Reserves and Surplus			Debenture redemption reserve	Items of OCI			Total		
			Securities premium	Share based payment reserve	Retained earnings		Capital reserve	Hedging Reserve	Foreign currency translation reserve			
	(refer note 17A)	(refer note 18.1)	(refer note 18.2)	(refer note 18.6)	(refer note 18.8)	(refer note 18.4)	(refer note 18.3)	(refer note 18.5)	(refer note 18.7)			
At 1 April 2017	**3,384**	**-**	**50,711**	**536**	**(1,117)**	**1,065**	**114**	**(978)**	**-**	**53,715**	**3,126**	**56,841**
Profit for the year	-	-	-	-	300	-	-	-	-	300	220	520
Other comprehensive income (net of taxes)	-	-	-	-	(1)	-	-	707	-	706	65	771
Total Comprehensive Income	**-**	**-**	**-**	**-**	**299**	**-**	**-**	**707**	**-**	**1,006**	**285**	**1,291**
Share-based payments	-	-	-	492	-	-	-	-	-	492	-	492
Share application money received	-	16,093	-	-	-	-	-	-	-	16,093	-	16,093
Amount utilised on exercise of stock options	-	-	1	(1)	-	-	-	-	-	-	-	-
Equity shares issued during the year	388	(16,093)	15,705	-	-	-	-	-	-	-	3	3
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	(0)	-	-	-	-	(0)	0	-
Amount utilized for issue of shares	-	-	(41)	-	-	-	-	-	-	(41)	-	(41)
Debenture redemption reserve	-	-	-	-	(1,357)	1,357	-	-	-	-	-	-
At 31 March 2018	**3,772**	**-**	**66,376**	**1,027**	**(2,175)**	**2,422**	**114**	**(271)**	**-**	**71,265**	**3,414**	**74,679**
Profit for the period	-	-	-	-	2,286	-	-	-	-	2,286	226	2,512
Other comprehensive income (net of taxes)	-	-	-	-	15	-	-	(255)	(1)	(241)	18	(223)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**2,301**	**-**	**-**	**(255)**	**(1)**	**2,045**	**244**	**2,289**
Share-based expense	-	-	-	255	-	-	-	-	-	255	-	255
Share application money received	-	1	-	-	-	-	-	-	-	1	-	1
Amount utilised on exercise of stock options	-	-	255	(255)	-	-	-	-	-	-	-	-
Equity shares issued during the period	27	-	537	-	-	-	-	-	-	564	3	567
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	2	-	-	-	-	2	(2)	-
Amount utilized for issue of shares	-	-	(8)	-	-	-	-	-	-	(8)	-	(8)
Debenture redemption reserve	-	-	-	-	(671)	671	-	-	-	-	-	-
At 31 December 2018	**3,799**	**1**	**67,160**	**1,027**	**(543)**	**3,093**	**114**	**(526)**	**(1)**	**74,124**	**3,659**	**77,783**

The accompanying notes are an integral part of the Unaudited Interim 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: 11 February 2019

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

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

1 Corporate Information

ReNew Power Limited ('the Company') is a public limited company domiciled in India. The Company was converted into a public company with effect from 17 April 2018 and consequently the name of the Company has changed from ReNew Power Private Limited to ReNew Power Limited.

The registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066. The Parent and its subsidiaries (hereinafter collectively referred to as 'the Group') are carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Unaudited Interim Consolidated Financial Statements of the Group were authorised for issue by the Group's Board of Directors on 11 February 2019.

2 Purpose of Unaudited Interim Consolidated Financial Statements

The Unaudited Interim Consolidated Financial Statements of the Group have been prepared for purpose of the proposed issue of USD denominated notes by certain subsidiary Companies of the Company which are collectively referred to as the Restricted Group to be listed on the Singapore Stock Exchange. The Restricted Group comprises of following legal entities:-

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited #	ReNew Power Limited #
Kanak Renewables Limited #	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.
*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

These Unaudited Interim Consolidated Financial Statements presented herein reflect the Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Unaudited Interim Consolidated Financial Statements are set out in Note 3 below.

3 Basis of preparation

The Unaudited Interim Consolidated Financial Statements for the nine months period ended 31 December 2018 being complete set of financial statements have been prepared in accordance with Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The Unaudited Interim Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention issued hereunder and other accounting principles generally accepted in India.

Management has prepared the Unaudited Interim Consolidated Financial Statements which comprise the Interim Consolidated Balance Sheet as at 31 December 2018, the Interim Consolidated Statement of Profit and Loss including other comprehensive income, Interim Consolidated Statement of Cash Flows and Interim Consolidated Statement of Changes in Equity for the nine months period ended 31 December 2018, a summary of the significant accounting policies and other explanatory information.

Management has prepared these Unaudited Interim Consolidated Financial Statements to depict the historical financial information of the Group except for the following assets and liabilities which have been measured at fair value:

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

The accounting policies and estimates adopted in the preparation of Unaudited Interim Consolidated Financial Statements are consistent with those used in the annual financial statements for the year ended 31 March 2018 except for changes in accounting policies and disclosures as detailed in note 5.2.

4 Principles of consolidation

The Unaudited Interim Consolidated Financial Statements comprise the consolidated financial statements of the Group as at 31 December 2018. 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 arrangement 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 period are included in the Unaudited Interim Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Unaudited Interim 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 Unaudited Interim 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 Unaudited Interim 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 the parent Company, i.e., nine months period ended on 31 December 2018. 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 Unaudited Interim 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 intragroup 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 fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Unaudited Interim 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- 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
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- 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.

5.1 Summary of Significant Accounting Policies

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.

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 Payments 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.

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 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 profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. 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, 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 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 recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one period from the acquisition date.

b) Investments accounted for using the equity method.

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 unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

The Group's investments 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 individually.

The statement of profit and 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.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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 interim consolidated statement of profit and loss.

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 as '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.

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.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The 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 balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the 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 in the interim 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 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. (Refer Note 43 and 44)

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.

For assets and liabilities that are recognised in the interim 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.

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 54)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 44)
· Financial instruments (including those carried at amortised cost) (Refer Note 43 and 44)

e) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the 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.

Sale of Power

Income from supply of power is recognized on the supply of units generated from the plant to the grid, as per the terms of the Power Purchase Agreements ("PPA") entered into with the customers.
The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of power, the Group considers the effects of variable consideration and consideration payable to the customer (if any).

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.

(i) 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.

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

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

Engineering Procurement and Construction ("EPC") Contracts
The Group provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. Contracts for bundled sales of equipment and installation services are comprised of two performance obligations because the promises to transfer equipment and provide installation services are capable of being distinct and separately identifiable. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.

The Group recognises revenue from installation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from the sale of the equipment are recognised at a point in time, generally upon delivery of the equipment.

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

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

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

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

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

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

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

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 other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

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

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

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

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

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

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

h) Government grants

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

When the 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 and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive:
Generation based incentive is recognized on the basis of supply of units generated by the 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".

Sale of Emission Reduction Certificates
Income from sale of Emission Reduction Certificates are recognised on actual sale due to uncertainty of market.

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 recognized over the period of useful life of underlying asset.

i) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment 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 profit or loss as incurred.

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

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

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

j) Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

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

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

k) Depreciation/amortization of PPE

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

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

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

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

l) Inventories

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

m) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

n) Leases

As a lessee

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

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

As a lessor

Leases in which the 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.

o) 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 period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

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

p) Share based payments

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

Equity-settled transactions

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

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the 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 recognized for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met. Where awards include a market or non-market condition, the transaction are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service condition are satisfied.

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

q) 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 recognize contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

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.

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

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

The 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 recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. 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.

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 Interim Consolidated Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

r) 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 and Loss net of any reimbursement.

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

s) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

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

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

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

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

Equity investments

All other 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 recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the P&L.

Derecognition

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

- 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 companies under the Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the 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 on all the financial assets and credit risk exposure.
The Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the 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.

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

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

Financial liabilities

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

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

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

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

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

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

The 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.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

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

Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

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

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

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

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

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

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

t) Derivative financial instruments and hedge accounting

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged 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 the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

(i) 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 Interim Statement of Profit and Loss.

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

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

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

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

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

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

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

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

The Group makes disclosures in the interim consolidated financial statements in cases of significant events.

x) 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.

y) Earnings per equity share

Basic 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 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 issue data 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 interim 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'

z) 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.

aa) 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.

ab) 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 (s) Financial instruments – initial recognition and subsequent measurement.

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

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.
Several other amendments and interpretations apply for the first time in December 2018, but do not have an impact on the interim consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

a) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts that are not completed as at 1 April 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11, Ind AS 18 and related Interpretations.

The effect of adopting Ind AS 115 as at 1 April 2018 was, as follows:

Particulars	Notes	Reference	Ind AS 115 impact as at 1 April 2018
Assets			
Non-current assets			
Property, plant and equipment	6	(a)	(118)
Other non-current assets	12	(a)	113
Current assets			
Other current assets	12	(a)	5
Equity			
Other equity			
Retained earnings	18.8	(a)	-

Set out below, are the amounts by which each interim consolidated financial statements line item is affected as at and for the period ended 31 December 2018 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted:

Statement of profit or loss
Interim Consolidated Statement of Profit and Loss for the nine month period ended 31 December 2018

Particulars	Reference	Ind AS 115	Ind AS 18	Increase/ (decrease)
Revenue from contracts with customers	(a)	34,491	34,494	(3)
Depreciation and amortization expense	(a)	9,251	9,254	(3)

Reconciliation of equity as at 31 December 2018

Particulars	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
Non-current assets				
Property, plant and equipment	(a)	249,339	249,225	(115)
Prepayments	(a)	3,444	3,335	109
Current assets				
Prepayments	(a)	718	713	5
Other current financial assets				
Unbilled revenue		-	2,991	(2,991)
Trade receivables				
Trade receivables		17,445	14,454	2,991

(a) Ind AS 115 impact - Consideration payable to customer
As per Purchase Power Agreement, there was an amount which was required to be paid to the customer in case of delay in commercial operation date. Such amount paid was capitalsed as part of project cost before the application of Ind AS 115.

Amount paid to customer is in preview of guidance given under Consideration payable to customer under Ind AS 115, accordingly any amount paid to customer is to be reduced from the transaction price and, therefore, of revenue. As the Power Purchase agreement is for 25 years the said amount paid to the customer is to be regarded as deferred expenditure and subsequently needs to be expensed off over the period of agreement.

(Amounts in INR millions, unless otherwise stated)

6 Property, plant and equipment	Freehold Land #	Plant and equipment	Buildings	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost									
At 1 April 2017	**4,815**	**128,477**	**64**	**55**	**17**	**2**	**24**	**133,454**	**19,095**
Additions during the year^	1,649	60,002	-	1	10	11	6	61,679	43,405
Acquisition of a subsidiary (refer note 52)	1,570	54,784	-	6	3	5	4	56,372	5,232
Adjustment during the year*	51	(166)	-	(3)	-	-	-	(118)	(101)
Disposals during the year	(15)	(21)	-	(24)	(0)	-	(2)	(62)	(185)
Capitalised during the year	-	-	-	-	-	-	-	-	(60,002)
At 31 March 2018	**8,070**	**243,076**	**64**	**35**	**30**	**18**	**32**	**251,325**	**7,444**
Additions during the period^	231	19,165	-	102	32	34	24	19,588	22,921
Adjustments during the period*	(5)	(258)	-	-	-	-	-	(263)	(10)
Disposals during the period	-	(3)	-	(16)	(7)	(5)	(4)	(35)	(80)
Capitalised during the period	-	-	-	-	-	-	-	-	(19,332)
At 31 December 2018	**8,296**	**261,980**	**64**	**121**	**55**	**47**	**52**	**270,615**	**10,943**
Depreciation									
At 1 April 2017	-	**5,845**	**8**	**10**	**5**	**0**	**8**	**5,876**	-
Charge for the year (refer note 34)	-	6,996	3	6	4	0	8	7,017	-
Disposals during the year	-	(0)	-	(8)	(0)	-	(2)	(10)	-
At 31 March 2018	-	**12,841**	**11**	**8**	**9**	**0**	**14**	**12,883**	-
Charge for the period (refer note 34)	-	8,369	2	18	10	7	11	8,417	-
Adjustments during the period*	-	(2)	-	-	-	-	-	(2)	-
Disposals during the period	-	(1)	-	(11)	(5)	(2)	(3)	(22)	-
At 31 December 2018	-	**21,207**	**13**	**15**	**14**	**5**	**22**	**21,276**	-
Net book value									
At 31 March 2018	**8,070**	**230,235**	**53**	**27**	**21**	**18**	**18**	**238,442**	**7,444**
At 31 December 2018	**8,296**	**240,773**	**51**	**106**	**41**	**42**	**30**	**249,339**	**10,943**

#The title represented by sale deeds in respect of land amounting to INR 1,322 (31 March 2018 INR 1,401) is not yet in the name of the Group. Further, the title of land amounting to INR 947 (31 March 2018 INR 1,344) 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 & equipment:

Property, plant & equipment 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 and acceptances as disclosed in note 19 and note 23.

^ Capitalised borrowing costs

The amount of borrowing costs capitalised in Property, plant and equipment during the period ended 31 December 2018 was INR 352 (31 March 2018 INR 505). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

***Adjustments to Property, Plant & Equipments during the period are as follows**

Freehold land

Adjustment of INR 5 (31 March 2018: INR 51) pertains to actualisation of provisional capitalization.

Property, Plant & Equipments

Adjustment of INR Nil (31 March 2018: INR 45) pertains to revision of agreement and discount received from vendor.
Adjustment of INR 91 (31 March 2018: INR 138) pertains to actualisation of provisional capitalization of supply of goods and services and early closure of letter of credits.
Adjustment of INR 120 (31 March 2018: INR Nil) pertains to impact of first time adoption of Ind AS 115 - Revenue from contracts with customers, using modified retrospective approach.

Capital work in progress

Capital work in progress amounting to INR 10 (31 March 2018: INR 82) has been written off to the extent of non-viability of recovery of cost in future.
Adjustment of INR Nil (31 March 2018: INR 14) during the period pertains to actualisation of provisional capitalization.

Depreciation

Adjustment of INR 2 (31 March 2018: INR Nil) pertains to impact taken due to first time adoption of Ind AS 115 - Revenue from contracts with customers.

(Amounts in INR millions, unless otherwise stated)

7 Intangible assets	**Computer software**	**Customer Contracts**	**Development rights**	**Total Intangibles**	**Goodwill**	**Intangible asset under development**
Cost						
At 1 April 2017	**74**	**1,099**	**36**	**1,209**	**293**	**-**
Additions during the year	41	-	-	41	10,660	8
Acquisition of a subsidiary (refer note 52)	1	24,098	-	24,099	-	1,416
Capitalised during the year	-	-	-	-	-	-
At 31 March 2018	**116**	**25,197**	**36**	**25,349**	**10,953**	**1,424**
Additions during the period	18	1,323	-	1,341	-	53
Capitalised during the period	-	-	-	-	-	(1,329)
Disposals during the period	(1)	-	-	(1)	-	-
At 31 December 2018	**133**	**26,520**	**36**	**26,689**	**10,953**	**148**
Amortisation						
At 1 April 2017	**21**	**13**	**0**	**34**	**-**	**-**
Amortisation for the year (refer note 34)	17	89	1	107	-	-
At 31 March 2018	**38**	**102**	**1**	**141**	**-**	**-**
Amortisation for the period (refer note 34)	17	816	1	834	-	-
Disposals during the period	(0)	-	-	(0)	-	-
At 31 December 2018	**55**	**918**	**2**	**975**	**-**	**-**
Net book value						
At 31 March 2018	**78**	**25,095**	**35**	**25,208**	**10,953**	**1,424**
At 31 December 2018	**78**	**25,602**	**34**	**25,714**	**10,953**	**148**

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 and acceptances as disclosed in note 19 and note 23.

Impairment of Goodwill:
The Group undertook the impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at 31 December 2018 applying value in use approach across all the CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (25 years) using a discount rate of 9.68 % per annum. The Group has used financial projections unto 25 years as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use of CGU after adjusting the carrying values of property plant and equipment's and intangible assets was more than carrying value of Goodwill by INR 6,992 and accordingly no impairment loss provision has been recognized in the Statement of Profit and Loss.

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

The key assumptions used in the value in use calculations for the power cash-generating unit are as follows:

(i) Discount Rate 9.68 % Post-Tax 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 CGU based on report from expert.

(iii) 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 as mentioned in Note 50.

Breakeven sensitivity:

Plant load factor (PLF) If reduced by 6.987%

Weighted Average Cost of Capital (WACC): 10.64%

(Amounts in INR millions, unless otherwise stated)

8 Investment in jointly controlled entities	**As at 31 December 2018**	**As at 31 March 2018**
Investment in unquoted equity shares of entities under joint control at equity method (Refer note 51)		
8,958,150 (31 March 2018: 8,958,150) equity shares of INR10 each fully paid-up in Prathamesh Solarfarms Limited	474	492
2,285,850 (31 March 2018: 2,285,850) equity shares of INR10 each fully paid-up Aalok Solarfarms Limited	88	89
4,571,700 (31 March 2018: 4,571,700) equity shares of INR10 each fully paid-up in Heramba Renewables Limited	162	161
2,285,850 (31 March 2018: 2,285,850) equity shares of INR10 each fully paid-up in Abha Solarfarms Limited	87	88
4,571,700 (31 March 2018: 4,571,700) equity shares of INR10 each fully paid-up in Shreyas Solarfarms Limited	168	170
Total	**979**	**1,000**

9 Financial assets	**As at 31 December 2018**	**As at 31 March 2018**
Non current (unsecured, considered good unless otherwise stated)		
Investment in unquoted compulsorily convertible debentures of entities under joint control at fair value through Profit and Loss		
2,349,550 (31 March 2018: 2,349,550) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Prathamesh Solarfarms Limited	235	235
679,875 (31 March 2018: 679,875) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Abha Solarfarms Limited	68	68
1,359,750 (31 March 2018: 1,359,750) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Heramba Renewables Limited	136	136
679,875 (31 March 2018: 679,875) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Aalok Solarfarms Limited	68	68
1,359,570 (31 March 2018: 1,359,570) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Shreyas Solarfarms Limited	136	136
Total	**643**	**643**

Loans	**As at 31 December 2018**	**As at 31 March 2018**
Considered good and secured	-	-
Considered good and unsecured		
Security deposits	70	62
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**70**	**62**

Others		
Bank deposits with remaining maturity for more than twelve months (refer note 16)	222	2,533
Total	**222**	**2,533**

Current (unsecured, considered good unless otherwise stated)

Financial assets at fair value through Profit and Loss

Investments		
Quoted mutual funds:		
L&T Liquid Fund- Growth - Nil units (31 March 2018 : 236,090 units)	-	563
DHFL Pramerica Low Duration Fund - Nil units (31 March 2018 : 209,009 units)	-	5
Aditya Birla Sun Life Cash Plus - Growth Direct Plan - Nil units (31 March 2018 : 10,839,072 units)	-	3,028
HDFC Liquid fund - Direct Plan - Growth Option - Nil units (31 March 2018 : 253,943 units)	-	869
ICICI Prudential Liquid - Direct Plan - Growth Fund - Nil units (31 March 2018 : 5,912,432 units)	-	1,520
SBI Dynamic Bond Fund - Regular Plan - Growth - Nil units (31 March 2018 : 3,140,283 units)	-	88
Tata Money market fund - Growth - Direct plan - Nil units (31 March 2018: 81,736 units)	-	224
Reliance liquid fund - Growth - Treasury plan - Nil units (31 March 2018: 92,941 units)	-	394
Reliance money manager fund - Growth - Direct plan - Nil units (31 March 2018: 23,896 units)	-	58
Birla Sun life Cash Manager fund - Growth - Direct plan - Nil units (31 March 2018: 378,315 units)	-	108
Franklin India treasury fund - Growth - Direct plan - Nil units (31 March 2018: 115,600 units)	-	300
UTI money market fund - Growth - Direct plan - Nil units (31 March 2018: 154,101 units)	-	300
Axis treasury advantage fund - Growth - Direct plan - Nil units (31 March 2018: 9,185 units)	-	18
Axis liquid fund - Growth - Direct plan - Nil units (31 March 2018: 134,996 units)	-	371
Kotak floater short term fund - Growth - Direct plan - Nil units (31 March 2018: 81,716 units;)	-	233
SBI Magnum insta cash fund - Growth - Direct plan - Nil units (31 March 2018: 78,193 units)	-	301
LIC Liquid Fund - Growth - Direct plan - Nil units (31 March 2018: 84,025 units)	-	265
IDFC Ultra Short Term Fund - Growth - Direct Plan - Nil units (31 March 2018: 4,278,820 units)	-	106
IDFC Cash Fund - Growth - Direct Plan - Nil units (31 March 2018: 135,451 units)	-	286
DSP Blackrock Liquidity fund - Direct Plan Growth - Nil units (31 March 2018: 93,354 units)	-	232
Total	**-**	**9,269**
Aggregate book value of quoted investments	-	9,269
Aggregate market value of quoted investments	-	9,269

(Amounts in INR millions, unless otherwise stated)

Loans		
Security deposits	23	34
Total	**23**	**34**
Others		
Recoverable from related parties (refer note 41)	21	0
Advances recoverable	153	586
Unbilled revenue	-	2,950
Government grant receivable		
- viability gap funding	459	312
Generation based incentive receivable*	933	628
Interest accrued on fixed deposits	419	248
Others	31	31
Total	**2,016**	**4,755**

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

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

Investments at fair value through profit & loss reflects investment in quoted mutual funds. Refer note 43 for determination of fair value.

10A Deferred tax

Deferred tax assets (net)		**As at 31 December 2018**	**As at 31 March 2018**
Deferred tax related to items recognised in equity:			
Deferred tax assets (gross)			
Compound Financial Instruments		131	131
	(a)	**131**	**131**
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Re-measurement losses on defined benefit plans		2	3
Loss on mark to market of derivative instruments		212	61
	(b)	**214**	**64**
Deferred tax liabilities (gross)			
Re-measurement losses on defined benefit plans		-	-
Loss on mark to market of derivative instruments		28	14
	(c)	**28**	**14**
	(d) = (b)-(c)	**186**	**50**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		10,538	8,078
Unamortized ancillary borrowing cost		86	138
Change in fair value of investments		11	14
	(e)	**10,635**	**8,230**
Deferred tax assets (gross)			
Losses available for offsetting against future taxable income		10,728	8,395
Unused tax credit (MAT)		1,057	805
Compound Financial Instruments		40	26
Operation and maintenance equalisation		305	314
Lease Equalisation		11	11
Provision for Gratuity		23	9
Provision for Leave Encashment		17	10
Others		5	2
	(f)	12,186	9,572
	(g) = (f)-(e)	**1,551**	**1,342**
Deferred tax assets (net)	**(a)+(d)+(g)**	**1,868**	**1,523**

10B Deferred tax liabilities (net)

Deferred tax relates to the following:			
Deferred tax related to items recognised in Goodwill:			
Difference in written down value as per books of account and tax laws	**(h)**	5,403	5,403
		5,403	**5,403**
Deferred tax related to items recognised in OCI:			
Deferred tax liabilities (gross)			
Loss on mark to market of derivative instruments		60	7
	(i)	**60**	**7**
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		44	53
	(j)	**44**	**53**
	(k) = (h)+(i) -(j)	**5,419**	**5,357**

(Amounts in INR millions, unless otherwise stated)

Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		9,896	5,595
Unamortised ancillary borrowing cost		33	67
Change in fair value of investments		1	176
	(l)	**9,929**	**5,838**
Deferred tax assets (gross)			
Operation and maintenance		108	106
Unused tax credit (MAT)		927	438
Preliminary expenses not written off under tax laws		0	1
Losses available for offsetting against future taxable income		7,935	4,742
Compound Financial Instruments		0	-
Others		28	1
	(m)	8,999	5,288
	(n) = (l) - (m)	**931**	**550**
Deferred tax liabilities (net)	**(k) + (n)**	**6,350**	**5,907**

a) **At India's applicable statutory income tax rate i.e. Minimum Alternate Tax / Corporate Income Tax plus applicable Surcharge rate (7% to 12%) and Cess (3%) for 31 December 2018 and 31 December 2017:**

	31 December 2018	31 December 2017
Accounting profit before income tax	**3,959**	**2,128**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (25%-30%) plus applicable Surcharge rate (7% to 12 %) and Cess (4%)	1,334	744
Deferred tax expense reported in the statement of profit and loss*	188	142
Income Chargeable to Tax:		
Increase/(Decrease) in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	(89)	(76)
Non-deductible expenses for tax purposes:		
Operating and maintenance expenses equalized	-	4
Amortization of Ancillary Borrowing Costs	-	41
Interest on compound financial instrument	60	(7)
Other non deductible expenses	4	3
Deductible expenses for tax purposes:		
Brought forward losses / unabsorbed depreciation	(49)	-
Depreciation and amortization expense (net)	0	(28)
Others	(1)	(95)
At the effective income tax rate	**1,447**	**728**
Current tax expense reported in the statement of profit and loss	1,259	586
Deferred tax expense reported in the statement of profit and loss	188	142
	1,447	**728**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	(5,811)	(7,124)
Share based payment reserve	-	(193)
Preliminary expenses not written off under tax laws	0	3
Operation and maintenance	19	(60)
Unused tax credit (MAT)	(781)	(516)
Difference in WDV as per books of accounts and tax laws	6,660	8,014
Compound Financial Instruments	(14)	(10)
Amortisation of ancillary borrowing cost	(74)	-
Business Combination	-	16
Others	189	12
	188	**142**

Reconciliation of deferred tax assets (net):

	31 December 2018	31 March 2018
Opening balance of DTA/DTL (net)	**(4,384)**	**983**
Deferred tax income/(expense) during the period recognised in profit or loss	(188)	163
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	-
Deferred tax income/(expense) during the period due to business combination	-	(5,159)
Deferred tax income/(expense) during the period recognised in OCI	90	(371)
Closing balance of DTA/DTL (net)	**(4,482)**	**(4,384)**

Current tax expense and Deferred tax expense is recognized for the nine month period ended 31 December 2018 on the basis of the best estimate of the annual effective tax rate financial year ended 31 March 2019. Hence, disclosure for the amount (and expiry date, if any) of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset are recognised in the balance sheet shall be reported along with annual financial statements when the actual income tax computation is available.

11 **Prepayments**	As at 31 December 2018	As at 31 March 2018
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	3,444	1,720
Total	**3,444**	**1,720**

(Amounts in INR millions, unless otherwise stated)

Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	718	492
	718	**492**

12 Other assets	**As at 31 December 2018**	**As at 31 March 2018**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	13,873	5,285
Advances recoverable	315	167
Advance income tax (net of income tax provisions)	1,463	1,499
Security deposits	25	29
Deferred rent	20	25
VAT recoverable	61	70
Balances with government authorities	183	10
Total	**15,940**	**7,085**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable	1,726	1,622
Deferred rent	7	7
Balances with Government authorities	642	338
Others	0	49
Total	**2,375**	**2,016**

13 Inventories (At lower of cost and net realizable value)	**As at 31 December 2018**	**As at 31 March 2018**
Consumables and spares	627	153
Total	**627**	**153**

14 Derivative instruments	**As at 31 December 2018**	**As at 31 March 2018**
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	1,453	75
Total	**1,453**	**75**

15 Trade receivables	**As at 31 December 2018**	**As at 31 March 2018**
Unsecured, considered good (refer note 50)	17,445	6,701
Secured, considered good	-	-
Receivables which have significant increase in credit risk	9	6
Receivables - credit impaired	-	-
	17,454	**6,707**
Less: Provision for doubtful debts	(9)	(6)
Total	**17,445**	**6,701**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

16 Cash and cash equivalents	**As at 31 December 2018**	**As at 31 March 2018**
Cash and cash equivalents		
Cash and cheque on hand	0	0
Cheque on hand	0	-
Balance with bank		
- On current accounts	5,403	5,200
- Deposits with original maturity of less than 3 months #	1,048	8,714
	6,451	**13,914**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	17,761	10,322
- Remaining maturity for more than twelve months #	222	2,533
	17,983	**12,855**
Less: amount disclosed under financial assets (others) (Note 9)	(222)	(2,533)
Total	**17,761**	**10,322**

Fixed deposits of INR 3,284 (31 March 2018: INR 6,203) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and fixed deposit of INR 2,168 (31 March 2018: INR 193) has been given to banks 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 3.50% - 8.50% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

17 Share capital

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2017	370,000,000	3,700
Increase during the year	30,000,000	300
At 31 March 2018	400,000,000	4,000
Increase during the period	100,000,000	1,000
At 31 December 2018	**500,000,000**	**5,000**

Issued share capital	**Number of shares**	**Amount**
17A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2017	338,361,672	3,384
Shares issued during the year	38,796,184	388
At 31 March 2018	**377,157,856**	**3,772**
Shares issued during the period	2,750,000	27
At 31 December 2018	**379,907,856**	**3,799**

	Fully paid up shares		**Partly paid up shares**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at 1 April 2017	338,361,672	3,384	-	-
As at 31 March 2018	377,157,856	3,772	-	-
As at 31 December 2018	379,907,856	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.

17B Equity component of compulsory convertible debentures (CCD)	**Number of debentures**	**Total proceeds**	**Liability component (refer note 19)**	**Equity component**
At 1 April 2017	**13,405,287**	**1,492**	**587**	**-**
Accretion during the year	-	-	69	-
Payment during the year	-	-	(18)	-
At 31 March 2018	**13,405,287**	**1,492**	**638**	**-**
Accretion during the period	-	-	55	-
Payment during the period	-	-	(14)	-
At 31 December 2018	**13,405,287**	**1,492**	**679**	**-**

Terms of conversion of CCDs

ReNew Solar Energy (Karnataka) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2018 is INR 179 (31 March 2018: INR 179)

ReNew Akshay Urja Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., June 17, 2035 or in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 0.01% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2018 is INR 500 (31 March 2018: INR 500)

ReNew Solar Energy (Telangana) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2018 is INR 620 (31 March 2018: INR 620)

ReNew Mega Solar Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2018 is INR 194 (31 March 2018: INR 194)

17C Details of shareholders holding more than 5% shares in the Company	**31 December 2018**		**31 March 2018**	
	Number	**% Holding**	**Number**	**% Holding**
GS Wyvern Holding Ltd	184,709,600	48.62%	184,709,600	48.97%
Canada Pension Plan Investment Board	61,608,099	16.22%	61,608,099	16.33%
Green Rock B 2014 Limited (formerly known as Green Rock A 2014 Limited)	60,487,804	15.92%	60,487,804	16.04%
JERA Power RN B.V.	34,411,682	9.06%	34,411,682	9.12%

(Amounts in INR millions, unless otherwise stated)

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

17D 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.

18 Other equity

18.1 Share application money pending allotment

At 1 April 2017	-
Share application money received during the year	16,093
Equity shares issued during the year	(16,093)
At 31 March 2018	**-**
Share application money received during the period	1
At 31 December 2018	**1**

18.2 Securities premium

At 1 April 2017	**50,711**
Premium on issue of equity shares during the year	15,705
Amount transferred from share based payment reserve on conversion	1
Amount utilized against for issue of equity shares	(41)
At 31 March 2018	**66,376**
Premium on issue of equity shares during the period	537
Amount transferred from share based payment reserve on conversion	255
Amount utilized against for issue of equity shares	(8)
At 31 December 2018	**67,160**

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.

18.3 Capital reserve

At 1 April 2017	**114**
Additions during the year	-
At 31 March 2018	**114**
Additions during the period	-
At 31 December 2018	**114**

Nature and purpose
Capital reserve represents bargain purchase on business combinations.

18.4 Debenture redemption reserve

At 1 April 2017	**1,065**
Amount transferred from surplus balance in retained earnings*	1,357
At 31 March 2018	**2,422**
Amount transferred from surplus balance in retained earnings*	671
At 31 December 2018	**3,093**

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

*Due to insufficient profit during the current year, DRR has been created only to the extent of current year's available profit. Resultantly, there is a overall shortfall as at 31 December 2018 INR 1149 and 31 March 2018 INR 241.

18.5 Hedge Reserve

At 1 April 2017	**(978)**
Movement in hedge reserve (refer note 49)	773
Attributable to Non-controlling interests	(66)
At 31 March 2018	**(271)**
Movement in hedge reserve (refer note 49)	(237)
Attributable to Non-controlling interests	(18)
At 31 December 2018	**(526)**

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, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

18.6 Share based payment reserve

At 1 April 2017	**536**
Expense for the year	492
Amount utilised on exercise of stock options	(1)
At 31 March 2018	**1,027**
Expense for the period	255
Amount utilised on exercise of stock options	(255)
At 31 December 2018	**1,027**

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.

(Amounts in INR millions, unless otherwise stated)

18.7 Foreign currency translation reserve

At 1 April 2017	**-**
Additions during the year	-
At 31 March 2018	**-**
Additions during the period	(1)
At 31 December 2018	**(1)**

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 net investment is disposed-off.

18.8 Retained earnings

At 1 April 2017	**(1,117)**
Profit for the year	300
Re-measurement losses on defined benefit plans (net of tax)	(1)
Adjustments for acquisition of interest by NCI in subsidiaries	(0)
Appropriation for debenture redemption reserve	(1,357)
At 31 March 2018	**(2,175)**
Profit for the period	2,286
Re-measurement losses on defined benefit plans (net of tax)	15
Adjustments for acquisition of interest by NCI in subsidiaries	2
Appropriation for debenture redemption reserve	(671)
At 31 December 2018	**(543)**

(Amounts in INR millions, unless otherwise stated)

19 Long-term borrowings	Nominal interest rate %	Maturity	Non-current As at 31 December 2018	Non-current 31 March 2018	Current As at 31 December 2018	Current 31 March 2018
Debentures						
- Non Convertible Debentures (secured)	9.18% - 13.01%	September 2034	63,396	62,127	2,177	1,059
- Compulsory Convertible Debentures (unsecured)	8.00% - 11.00%	September 2036	679	638	-	-
Term loan from bank (secured)	8.20% - 11.70% 3 Months Libor + 3% 6 Months Libor + 3.85%	June 2038	79,510	44,361	2,455	1,153
Term loan from financial institutions (secured)	8.67% - 11.65%	July 2040	45,882	61,944	1,685	2,076
Buyer's / Supplier's credit (secured)	2.02% -7.90% 6 Months Libor + 62-83 BPS	December 2019	-	8,452	10,017	5,509
Bonds (secured)	10.63%	February 2022	32,238	31,766	-	-
Total long-term borrowings			**221,705**	**209,288**	**16,334**	**9,797**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 26)			-	-	(16,334)	(9,797)
Net long-term borrowings			**221,705**	**209,288**	**-**	**-**

Notes:
Details of Security

Non convertible debentures (secured)
The debentures are secured by way of first pari passu charge on the 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.

Bonds (secured)
Senior Secured Bonds 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.

Term loan in Indian rupees 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 all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

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

Buyer's/ Supplier's credit (secured)
Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Compulsorily convertible debentures (unsecured)
Compulsory 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.

(Amounts in INR millions, unless otherwise stated)

20 Deferred government grant	**As at 31 December 2018**	**As at 31 March 2018**
Received	494	311
Released to the statement of profit and loss	(17)	(12)
Total	**477**	**299**
Current	22	12
Non-current	455	287

21 Long-term provisions	**As at 31 December 2018**	**As at 31 March 2018**
Provision for gratuity (net of planned assets) (refer note 37)	69	47
Total	**69**	**47**

22 Other non-current liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Provision for operation and maintenance equalisation	2,920	2,269
Security deposit received	1	-
Others	14	5
Total	**2,935**	**2,274**

23 Short term borrowings	**As at 31 December 2018**	**As at 31 March 2018**
Working capital term loan (secured)	4,428	2,980
Acceptances (secured)	13,907	7,294
Commercial papers (unsecured)	2,862	5,165
Loan from related party (unsecured) (refer note 41)	573	-
Loan from body corporate (unsecured)	47	83
Buyer's / Supplier's credit (secured)	5,072	3,843
Total	**26,889**	**19,365**

Working capital term loan (secured)
The term loan from bank carries interest @ 8.77% to 10.40% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 90-365 days. It is secured by first charge by way of hypothecation entire movable properties of the borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other movable properties, book debts, operating cash flows, receivables, commission and revenues, all other current assets, intangible assets, goodwill, uncalled up capital except project assets.

Acceptances (secured)
Acceptances are secured by parri 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 7.76% to 9.15%.

Buyer's/Supplier's credit (secured)

Buyer's/Supplier credits carries an interest rate of 1 month Libor 80 bps to 3 month Libor 110 bps are secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Commercial papers (unsecured)
Secured Commercial papers are issued at a discount rate on commercial paper of 7.85% - 9.42% per annum.

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

Loan from body corporates (unsecured)
Unsecured loan from body corporate of INR 47 (31 March 2018 : INR 83), no interest is payable on the loan and shall be repaid as per the terms of respective share purchase agreements.

(Amounts in INR millions, unless otherwise stated)

24 Trade payables	**As at 31 December 2018**	**As at 31 March 2018**
Current		
Outstanding dues to micro enterprises and small enterprises	-	-
Others	3,463	2,735
Total	**3,463**	**2,735**

25 Derivative instruments	**As at 31 December 2018**	**As at 31 March 2018**
Financial liabilities at fair value through OCI		
Current		
Cash flow hedges		
Derivative instruments	695	931
Total	**695**	**931**

26 Other current financial liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (refer note 19)	16,334	9,797
Others		
Interest accrued but not due on borrowings	2,264	1,080
Interest accrued but not due on debentures	705	440
Capital creditors	7,443	15,616
Purchase consideration payable	1,023	1,877
Other payables	1	-
Total	**27,770**	**28,810**

27 Other current liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Advance from customers	0	1
Provision for operation and maintenance equalisation	379	171
Other payables		
TDS payable	113	825
GST payable	40	215
Provident fund payable	11	9
Total	**543**	**1,221**

28 Short term provisions	**As at 31 December 2018**	**As at 31 March 2018**
Provision for gratuity (net of planned assets) (refer note 37)	2	7
Provision for leave encashment	54	60
Provision for income tax (net of advance income tax)	397	145
Total	**453**	**212**

(Amounts in INR millions, unless otherwise stated)

29 Revenue from operations	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Income from contracts with customers		
Sale of power	34,416	18,669
Sale of services - management shared services	23	-
Income from engineering, procurement and construction service	2	159
Income from sale of renewable energy certificates	50	97
Total	**34,491**	**18,925**

30 Other income	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Interest income		
- on fixed deposit with banks	1,052	795
- income tax refund	-	9
- others	5	11
Government grant		
- generation based incentive	1,937	1,082
- viability gap funding	17	8
Compensation for loss of revenue	15	30
Income from leases	162	-
Profit on sale of assets (net)	-	1
Insurance claim	11	14
Gain on ineffectiveness on derivative instruments designated as cash flow hedge (net)	25	4
Fair value change of mutual fund (including realised gain)	272	127
Miscellaneous income	32	42
Total	**3,528**	**2,123**

31 Cost of raw material and components consumed	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Cost of raw material and components consumed	2	144
Total	**2**	**144**

32 Employee benefits expense	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Salaries, wages and bonus	561	320
Contribution to provident and other funds	25	19
Share based payments (refer note 39)	118	251
Gratuity expense (refer note 37)	8	6
Staff Welfare Expenses	25	28
Total	**737**	**624**

33 Other expenses	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Legal and professional fees	725	293
Corporate social responsibility	27	38
Travelling and conveyance	133	122
Rent	90	57
Director's commission	11	6
Printing and stationery	1	1
Rates and taxes	174	88
Payment to auditors *	47	24
Insurance	113	91
Operation and maintenance	2,128	1,194
Repair and maintenance		
- others	28	15
Loss on sale of property plant & equipment and capital work in progress (net)	43	-
Bidding expenses	26	20
Advertising and sales promotion	14	41
Advances written off	-	47
Security charges	125	83
Communication costs	31	19
Penalty for delay in project commissioning	-	4
Foreign exchange loss (net)	46	-
Provision for doubtful debts	4	-
Miscellaneous expenses	79	82
Total	**3,845**	**2,225**

(Amounts in INR millions, unless otherwise stated)

*Payment to Auditors	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
As auditor:		
Audit fee	24	15
In other capacity:		
Certification fees	3	1
Other services	30	6
Limited review	1	-
Reimbursement of expenses	2	2
	60	24
Less: Professional expenses transferred to unamortised ancillary cost of borrowings	13	-
	47	**24**

34 Depreciation and amortization expense	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Depreciation of property, plant & equipment (refer note 6)	8,417	5,043
Amortisation of intangible assets (refer note 7)	834	62
Total	**9,251**	**5,105**

35 Finance costs	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Interest expense on		
- term loans	9,241	3,730
- loan from related party (refer note 41)	16	-
- bonds	3,172	3,199
- acceptance	548	476
- buyer's/supplier's credit	952	629
- on working capital demand loan	216	-
- debentures	5,124	2,183
- liability component of compulsorily convertible debentures	55	51
- commercial papers	340	-
- others	15	-
Bank charges	283	354
Unamortised ancillary borrowing cost written off*	263	200
Total	**20,225**	**10,822**

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

36 Earnings per share (EPS)	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
The following reflects the profit and share data used for the basic and diluted EPS computations:		
Profit attributable to equity holders of parent for basic EPS	2,286	1,222
Weighted average number of equity shares for calculating basic EPS	379,757,856	338,366,073
Basic earnings per share	6.02	3.61
Profit attributable to equity holders of parent for diluted EPS	2,286	1,222
Weighted average number of equity shares for calculating diluted EPS	385,630,071	344,839,862
Diluted earnings per share	5.93	3.54

	No. of shares	**No. of shares**
Weighted average number of equity shares in calculating basic EPS	379,757,856	338,366,073
Effect of dilution		
Convertible equity for employee stock option plan	5,872,215	6,473,789
Weighted average number of equity shares in calculating diluted EPS	385,630,071	344,839,862

(Amounts in INR millions, unless otherwise stated)

37 Gratuity and other post-employment benefit plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The 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 summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss

Net employees benefit expense recognised in employee cost	**31 December 2018**	**31 December 2017**
Current service cost	19	10
Interest cost on benefit obligation	3	1
Net benefit expense*	**22**	**11**

Balance Sheet

Benefit liability	**31 December 2018**	**31 March 2018**
Present value of unfunded obligation	71	53
Net liability	71	53

	31 December 2018	**31 March 2018**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	53	26
Current service cost	19	21
Interest cost	3	2
Benefits paid	-	(1)
Remeasurements during the period due to:		
- Experience adjustments	(11)	2
- Change in financial assumptions	1	(2)
Liabilities net of planned assets assumed under business combination	-	5
Assets extinguished on curtailments/settlements	6	-
Closing defined benefit obligation	71	53

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 period is not given.

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

The principal assumptions used in determining gratuity obligations	**31 December 2018**	**31 March 2018**
Discount rate	7.65%	7.75%
Salary escalation	10.00%	10.00%

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

The 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:

Particulars	**Change in assumptions**	**31 December 2018**	**31 March 2018**
Discount rate	+ 0.5%	63	45
	- 0.5%	72	51
Salary escalation	+ 0.5%	71	50
	- 0.5%	64	46

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

Gratuity amounts for current period and previous years	**31 December 2018**	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**
Defined benefit obligation	(71)	(53)	26	13	7
Surplus/(Deficit)	71	53	(26)	(13)	(7)
Experience adjustment on plan (gain)/loss	4	3	(4)	(0)	(1)

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	**31 December 2018**	**31 March 2018**
Within next 12 months	2	2
Between 2 and 5 years	11	14
Between 5 and 10 years	31	34
Beyond 10 years	168	128

The weighted average duration to the payment of these cash flows is 10.5825 years (31 March 2018: 10.90 years).

(Amounts in INR millions, unless otherwise stated)

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:

· 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.

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

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

Defined contribution plan:	**31 December 2018**	**31 December 2017**
Contribution to provident fund & other fund charged to statement of profit & loss*	52	39

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

38 Operating lease commitments

The Group has entered into commercial property lease for its offices. The lease have non-cancellable commitment period which has remaining term of 5 years. The Company has the option, under some of its leases, to lease the assets for additional terms of upto three years.

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

Particulars	**For the period ended 31 December 2018**	**For the year ended 31 March 2018**
Within one year	110	110
After one year but not more than five years	360	441

39 Share Based Payment

The Group has four 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	Group Stock Option Plans
Grant Date	Multiple
Vesting period	**2018 Stock Option Plan** **Time linked vesting:** i) 50 % of grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options ii) Remaining 50% will vest at the end of 5 years from the date of grant. **2017 Stock Option Plan** **Time linked vesting:** i) 50 % of grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options ii) Remaining 50% will vest at the end of 5 years from the date of grant. **2016 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **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 threshold EBIDTA achieved by the Company for the last completed financial year. **2014 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **2011 Stock Option Plan** **Time linked vesting:** 5 years from the grant date
Exercise period	Within 10 years from date of grant upon vesting
Exercise price	Rs. 100 to Rs 415
Settlement type	Equity settled

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

Particulars	No of options (in Million)	
	For the period ended 31 December 2018	For the period ended 31 March 2018
Outstanding at the beginning of the period	21	11
Granted during the period*	1	10
Forfeited during the period	0	0
Repurchase during the period	-	0
Exercised during the period	3	0
Outstanding at the end of the period	19	21
Exercisable at the end of the period	8	18

- The weighted average exercise price of these options outstanding was INR 258 for the period ended 31 December 2018 (31 March 2018: INR 246).
- The weighted average exercise price of these options granted was INR 415 for the period ended 31 December 2018 (31 March 2018: INR 340)
- The weighted average exercise price of these options exercised was INR 205 for the period ended 31 December 2018 (31 March 2018: INR 100).
- The weighted average exercise price of these options forfeited/repurchased was INR 268 for the period ended 31 December 2018 (31 March 2018 INR. 226).

Particulars	31 December 2018*	2017-18*
Dividend yield (%)	1.5%	1.5%
Expected volatility (%)	15%	15%
Risk–free interest rate (%)	7.70% - 8.12%	6.64% - 6.96%
Weighted average remaining contractual life	7.10 years	7.85 years

* Based on category I merchant banker report.

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

(Amounts in INR millions, unless otherwise stated)

40 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Subsidiaries under direct control:

Sl.No	Name of Companies	Holding Company	31 December 2018	31 March 2018
1.	ReNew Wind Energy (AP 3) Private Limited	ReNew Power Limited	100%	100%
2.	ReNew Solar Power Private Limited	ReNew Power Limited	100%	100%
3.	ReNew Wind Energy (MP) Private Limited	ReNew Power Limited	100%	100%
4.	ReNew Wind Energy (Varekarwadi) Private Limited	ReNew Power Limited	100%	100%
5.	ReNew Wind Energy Delhi Private Limited	ReNew Power Limited	100%	100%
6.	ReNew Wind Energy (Jamb) Private Limited	ReNew Power Limited	100%	100%
7.	ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited	100%	100%
8.	ReNew Wind Energy (AP) Private Limited	ReNew Power Limited	67%	68%
9.	Narmada Wind Energy Private Limited	ReNew Power Limited	100%	100%
10.	ReNew Wind Energy (Sipla) Private Limited	ReNew Power Limited	100%	100%
11.	ReNew Solar Energy (Jharkhand One) Private Limited	ReNew Solar Power Private Limited	100%	100%
12.	ReNew Solar Energy (Jharkhand Three) Private Limited	ReNew Solar Power Private Limited	100%	100%
13.	ReNew Solar Energy (Jharkhand Four) Private Limited	ReNew Solar Power Private Limited	100%	100%
14.	ReNew Solar Energy (Jharkhand Five) Private Limited	ReNew Solar Power Private Limited	100%	100%
15.	ReNew Wind Energy (Karnataka Two) Private Limited	ReNew Power Limited	100%	100%
16.	Abaha Wind Energy Developers Private Limited	ReNew Power Limited	100%	100%
17.	ReNew Solar Energy Private Limited	ReNew Power Limited	100%	100%
18.	ReNew Wind Energy (TN) Private Limited	ReNew Power Limited	100%	100%
19.	ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited	100%	100%
20.	ReNew Wind Energy (MP One) Private Limited	ReNew Power Limited	100%	100%
21.	ReNew Solar Energy (Telangana) Private Limited*	ReNew Solar Power Private Limited	51%	51%
22.	ReNew Power Services Private Limited	ReNew Power Limited	100%	100%
23.	ReNew Solar Energy (Karnataka Two) Private Limited	ReNew Solar Power Private Limited	100%	100%
24.	ReNew Wind Energy (Shivpur) Private Limited	ReNew Power Limited	100%	100%
25.	ReNew Wind Energy (Karnataka) Private Limited	ReNew Power Limited	65%	66%
26.	ReNew Wind Energy (Karnataka 3) Private Limited	ReNew Solar Power Private Limited	100%	100%
27.	ReNew Wind Energy (AP Five) Private Limited	ReNew Solar Power Private Limited	100%	100%
28.	ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited	100%	100%
29.	Bhumi Prakash Private Limited	ReNew Solar Power Private Limited	100%	100%
30.	Tarun Kiran Bhoomi Private Limited	ReNew Solar Power Private Limited	100%	100%
31.	ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited)	ReNew Solar Power Private Limited	100%	100%
32.	ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited)	ReNew Solar Power Private Limited	100%	100%
33.	ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)*	ReNew Solar Power Private Limited	51%	51%
34.	ReNew Wind Energy (Rajasthan 2) Private Limited	ReNew Power Limited	100%	100%
35.	ReNew Wind Energy (MP Two) Private Limited	ReNew Power Limited	100%	100%
36.	ReNew Wind Energy (Jath Three) Private Limited	ReNew Power Limited	100%	100%
37.	ReNew Wind Energy (Karnataka 4) Private Limited	ReNew Solar Power Private Limited	100%	100%
38.	ReNew Wind Energy (Maharashtra) Private Limited	ReNew Solar Power Private Limited	100%	100%
39.	ReNew Wind Energy (MP Four) Private Limited	ReNew Solar Power Private Limited	100%	100%
40.	ReNew Wind Energy (AP2) Private Limited	ReNew Power Limited	100%	100%
41.	ReNew Wind Energy (Orissa) Private Limited	ReNew Power Limited	100%	100%
42.	ReNew Wind Energy (AP 4) Private Limited	ReNew Power Limited	100%	100%
43.	ReNew Wind Energy (Jadeswar) Private Limited	ReNew Power Limited	100%	100%
44.	ReNew Wind Energy (Welturi) Private Limited	ReNew Power Limited	100%	100%
45.	ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4) Private Limited)	ReNew Solar Energy Private Limited	100%	100%
46.	ReNew Solar Energy (Rajasthan) Private Limited	ReNew Solar Power Private Limited	100%	100%
47.	ReNew Wind Energy (Vaspet 5) Private Limited	ReNew Power Limited	100%	100%
48.	ReNew Solar Energy (Karnataka) Private Limited*	ReNew Solar Power Private Limited	51%	51%
49.	ReNew Wind Energy (TN 2) Private Limited	ReNew Solar Power Private Limited	100%	100%
50.	ReNew Wind Energy (Rajkot) Private Limited	ReNew Power Limited	100%	100%
51.	ReNew Wind Energy (Rajasthan) Private Limited	ReNew Power Limited	100%	100%
52.	ReNew Akshay Urja Limited (Formerly known as ReNew Akshay Urja Private Limited)*	ReNew Solar Power Private Limited	56%	56%
53.	ReNew Wind Energy (Jath) Limited (Formerly known as ReNew Wind Energy (Jath) Private Limited)	ReNew Power Limited	100%	100%
54.	ReNew Wind Energy (Rajasthan One) Private Limited	ReNew Power Limited	100%	100%
55.	ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited	100%	100%
56.	ReNew Solar Energy (TN) Private Limited	ReNew Solar Power Private Limited	100%	100%
57.	ReNew Wind Energy (Karnataka Five) Private Limited	ReNew Power Limited	100%	100%

(Amounts in INR millions, unless otherwise stated)

40 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Subsidiaries under direct control:

Sl.No	Name of Companies	Holding Company	31 December 2018	31 March 2018
58.	ReNew Wind Energy (MP Three) Private Limited	ReNew Solar Power Private Limited	100%	100%
59.	ReNew Wind Energy (Rajasthan Four) Private Limited	ReNew Solar Power Private Limited	100%	100%
60.	ReNew Clean Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
61.	ReNew Distributed Solar Energy Private Limited	ReNew Solar Energy Private Limited	100%	100%
62.	ReNew Distributed Solar Services Private Limited	ReNew Solar Energy Private Limited	100%	100%
63.	ReNew Distributed Solar Power Private Limited	ReNew Solar Energy Private Limited	100%	100%
64.	ReNew Surya Mitra Private Limited	ReNew Solar Energy Private Limited	100%	100%
65.	ReNew Surya Prakash Private Limited	ReNew Solar Energy Private Limited	100%	100%
66.	ReNew Saur Vidyut Private Limited	ReNew Solar Energy Private Limited	100%	100%
67.	ReNew Solar Daylight Energy Private Limited	ReNew Solar Energy Private Limited	100%	100%
68.	ReNew Solar Sun Flame Private Limited	ReNew Solar Energy Private Limited	100%	100%
69.	ReNew Power Singapore Pte. Ltd.	ReNew Power Limited	100%	100%
70.	Abha Sunlight Private Limited	ReNew Solar Power Private Limited	100%	100%
71.	Nokor Solar Energy Private limited	ReNew Solar Power Private Limited	100%	100%
72.	Izra Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
73.	Zorya Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
74.	Vivasvat Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
75.	Nokor Bhoomi Private Limited	ReNew Solar Power Private Limited	100%	100%
76.	Akhilagya Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
77.	Adyah Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
78.	ReNew Transmission Ventures Private Limited	ReNew Power Limited	100%	100%
79.	Helios Infratech Private Limited	ReNew Power Limited	100%	100%
80.	Shruti Power Projects Private Limited	ReNew Power Limited	100%	100%
81.	Lexicon Vanijya Private Limited	ReNew Solar Power Private Limited	100%	100%
82.	Symphony Vyapaar Private Limited	ReNew Solar Power Private Limited	100%	100%
83.	Star Solar Power Private Limited	ReNew Solar Power Private Limited	100%	100%
84.	Sungold Energy Private Limited	ReNew Solar Power Private Limited	100%	100%
85.	Sunsource Energy Services Private Limited	ReNew Solar Energy Private Limited	100%	100%
86.	Molagavalli ReNewable Private Limited	ReNew Power Limited	100%	100%
87.	ReNew Vayu Urja Private Limited (Formerly known as KCT Renewable Energy Private Limited)	ReNew Power Limited	100%	100%
88.	Rajat Renewables Limited	ReNew Power Limited	100%	100%
89.	Kanak Renewables Limited	ReNew Power Limited	100%	100%
90.	Bidwal Renewable Private Limited	ReNew Power Limited	100%	100%
91.	Pugalur Renewable Private Limited	ReNew Power Limited	100%	100%
92.	Aalok Solarfarms Limited #	Ostro Energy Private Limited	49%	49%
93.	Abha Solarfarms Limited #	Ostro Energy Private Limited	49%	49%
94.	AVP Powerinfra Private Limited	Ostro Energy Private Limited	100%	100%
95.	Badoni Power Private Limited	Ostro Energy Private Limited	100%	100%
96.	Heramba Renewables Limited #	Ostro Energy Private Limited	49%	49%
97.	Ostro Alpha Wind Private Limited	Ostro Energy Private Limited	100%	100%
98.	Ostro Anantapur Private Limited	Ostro Energy Private Limited	100%	100%
99.	Ostro Andhra Wind Private Limited	Ostro Energy Private Limited	100%	100%
100.	Ostro AP Wind Private Limited	Ostro Energy Private Limited	100%	100%
101.	Ostro Bhesada Wind Private Limited	Ostro Energy Private Limited	100%	100%
102.	Ostro Dakshin Power Private Limited	Ostro Energy Private Limited	100%	100%
103.	Ostro Dhar Wind Private Limited	Ostro Energy Private Limited	100%	100%
104.	Ostro Jaisalmer Private Limited	Ostro Energy Private Limited	100%	100%
105.	Ostro Kannada Power Private Limited	Ostro Energy Private Limited	100%	100%
106.	Ostro Kutch Wind Private Limited	Ostro Energy Private Limited	100%	100%
107.	Ostro Madhya Wind Private Limited	Ostro Energy Private Limited	100%	100%
108.	Ostro Mahawind Power Private Limited	Ostro Energy Private Limited	100%	100%
109.	Ostro Raj Wind Private Limited	Ostro Energy Private Limited	100%	100%
110.	Ostro Rann Wind Private Limited	Ostro Energy Private Limited	100%	100%
111.	Ostro Renewables Private Limited	Ostro Energy Private Limited	100%	100%
112.	Ostro Urja Wind Private Limited	Ostro Energy Private Limited	100%	100%
113.	Prathamesh Solarfarms Limited #	Ostro Energy Private Limited	49%	49%
114.	Shreyas Solarfarms Limited #	Ostro Energy Private Limited	49%	49%
115.	Ostro Energy Private Limited	Renew Power Services Private Limited	100%	100%
116.	Zemira Renewable Energy Limited	ReNew Power Limited	100%	100%
117.	ReNew Americas Inc.	ReNew Power Limited	100%	NA
118.	Auxo Solar Energy Private Limited	ReNew Solar Power Private Limited	100%	NA
119.	ReNew Power International Limited	ReNew Power Limited	100%	NA
120.	Zorya Distributed Power Services Private Limited	ReNew Solar Energy Private Limited	100%	NA

* These are joint venture companies, however, the respective joint venture partners have protective rights only. Hence, these have been accounted as subsidiaries in these unaudited interim consolidated financial statements of the group.

These entities are under joint control and have been accounted for as equity method .

(Amounts in INR millions, unless otherwise stated)

41 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 period and description of relationship as identified by the management are:-

I. Holding Company
GS Wyvern Holdings Limited (Upto 22 March 2018)

II. Key management personnel or relatives of key management personnel:

Mr. Sumant Sinha, Chairman and Managing Director
Mr. Ravi Seth, Chief Financial Officer
Mr. Parag Sharma, Chief Operating Officer and head of solar business
Mr. Balram Mehta, President of wind business
Mr. Ravi Parmeshwar, Chief Human Resource Officer
Mr. Ashish Jain, Company Secretary and Compliance Officer
Mrs. Vaishali Nigam Sinha

III. Enterprise owned or significantly influenced by key management personnel or their relatives:
Cognisa Investment
Wisemore Advisory Private Limited

IV. Enterprise under joint control:
Prathamesh Solarfarms Limited
Heramba Renewables Limited
Aalok Solarfarms Limited
Shreyas Solarfarms Limited
Abha Solarfarms Limited

V. Remuneration to key managerial personnel (KMP):

	For the period ended	
	31 December 2018	**31 December 2017**
Mr. Sumant Sinha	243	288
Mr. Ravi Seth*	31	-
Mr. Parag Sharma*	27	-
Mr. Balram Mehta*	28	-
Mr. Ravi Parmeshwar*	13	-
Mr. Ashish Jain*	5	-

Above remuneration includes share based payment of INR 199 (31 December 2017: INR 255) and gratuity and leave encashment expense of INR 15 (31 December 2017: INR 4)

* Designated as KMPs on 26 April 2018, therefore, remuneration details have not been disclosed for previous period.

VI. Remuneration to the relatives of key managerial personnel (KMP):

	For the period ended	
	31 December 2018	**31 December 2017**
Mrs. Vaishali Nigam Sinha	11	-

Above remuneration includes share based payment of INR 1 (31 December 2017: INR Nil) and gratuity expense of INR 1 (31 December 2017: INR Nil)

VII. Transactions and balances with enterprises under joint control:

Transactions during the year/period end	Prathamesh Solarfarms Limited		Heramba Renewables Limited	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
Investment in equity shares	-	-	-	46
Investment in compulsory convertible debentures	-	-	-	136
Unsecured loan received	729	-	-	-
Unsecured loan repaid	156	-	-	-
Interest expense on unsecured loan received	11	-	-	-
Expenses incurred on behalf of the company	3	-	-	-
Expenses incurred on behalf by the company	0	-	-	-
Income from management fees	14	1	5	0
Corporate guarantee issued to project lender(s)	-	385	-	148
Corporate guarantee released from project lender(s)	385	-	-	-
Bank guarantee released from project lender(s)	193	-	-	-

Transactions during the year/period end	Aalok Solarfarms Limited		Shreyas Solarfarms Limited	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
Investment in equity shares	-	23	-	46
Investment in compulsory convertible debentures	-	68	-	136
Expenses incurred on behalf of the company	0	-	-	-
Income from management fees	3	0	5	0
Corporate guarantee issued to project lender(s)	-	74	-	148

Transactions during the year/period end	Abha Solarfarms Limited	
	31 December 2018	31 March 2018
Investment in equity shares	-	23
Investment in compulsory convertible debentures	-	68
Expenses incurred on behalf by the company	0	-
Income from management fees	3	0
Corporate guarantee issued to project lender(s)	-	74

(Amounts in INR millions, unless otherwise stated)

Balances as on period year/period end	**Prathamesh Solarfarms Limited**		**Heramba Renewables Limited**	
	31 December 2018	**31 March 2018**	**31 December 2018**	**31 March 2018**
Trade receivable	17	3	6	1
Advance given	10	7	3	3
Unsecured loan payable	573	-	-	-
Interest payable	11	-	-	-
Corporate guarantee outstanding to project lender(s)	-	385	148	148
Bank guarantee issued to project lender(s)	-	193	-	-

Balances as on period year/period end	**Aalok Solarfarms Limited**		**Shreyas Solarfarms Limited**	
	31 December 2018	**31 March 2018**	**31 December 2018**	**31 March 2018**
Trade receivable	3	0	6	1
Advance given	3	3	3	3
Corporate guarantee outstanding to project lender(s)	74	74	148	148

Balances as on period year/period end	**Abha Solarfarms Limited**	
	31 December 2018	**31 March 2018**
Trade receivable	3	0
Trade payable	0	-
Advance given	2	3
Corporate guarantee outstanding to project lender(s)	74	74

(Amounts in INR millions, unless otherwise stated)

42 Segment Information

The CEO of ReNew Power 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 group's CEO. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 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 operating profit, comparable operating profit and comparable EBITDA.

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 period ended 31 December 2018			For the period ended 31 December 2017		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Revenue from operations	25,470	8,996	34,466	12,961	5,804	18,765
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**25,470**	**8,996**	**34,466**	**12,961**	**5,804**	**18,765**
Other income (other than interest income)	2,792	409	3,201	1,118	32	1,150
Total	**28,262**	**9,405**	**37,667**	**14,079**	**5,836**	**19,915**
Add: Unallocable income	-	-	352	-	-	1,133
Total Income	**28,262**	**9,405**	**38,019**	**14,079**	**5,836**	**21,048**
Less: Employee benefits and other expenses	2,528	820	3,348	1,816	869	2,685
Less: Unallocable expenses	-	-	1,236	-	-	308
Total Expenses	**2,528**	**820**	**4,584**	**1,816**	**869**	**2,993**
Earning before interest, tax, depreciation and amortization (EBITDA)	**25,734**	**8,585**	**33,435**	**12,263**	**4,967**	**18,055**
Depreciation and amortization expense (net)			9,251			5,105
Finance costs			20,225			10,822
Profit before tax			**3,959**			**2,128**

The Revenues from three major customers amounts to INR 16,737 (31 December 2017: INR 8,855) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 15,389 (31 December 2017: INR 7,784) and Solar Segment amounts to INR 1,348 (31 December 2017: INR 1,071).

(Amounts in INR millions, unless otherwise stated)

43 Fair values

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

	31 December 2018		31 March 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Security deposits	93	93	96	96
Bank deposits with remaining maturity for more than twelve months	222	222	2,533	2,533
Investments-non current, unquoted debt securities	643	643	643	643
Investments-current, quoted mutual funds	-	-	9,269	9,269
Derivative instruments	1,453	1,453	75	75
Trade receivables	17,445	17,445	6,701	6,701
Cash and cash equivalent	6,451	6,451	13,914	13,914
Bank balances other than cash and cash equivalent	17,761	17,761	10,322	10,322
Advances recoverable	153	153	586	586
Unbilled revenue	-	-	2,950	2,950
Interest accrued on fixed deposits	419	419	248	248
Government grant receivable	1,392	1,392	940	940
Other current financial assets	31	31	31	31
Financial liabilities				
Non Convertible Debentures	65,573	65,573	63,186	63,186
Term loan in Indian rupees from bank	81,965	81,965	45,514	45,514
Term loan in Indian rupees from financial institutions	47,567	47,567	64,020	64,020
Compulsory Convertible Debentures	679	679	638	638
Buyer's / Supplier's credit	10,017	10,017	13,961	13,961
Bonds	32,238	32,238	31,766	31,766
Derivative instruments	695	695	931	931
Interest accrued but not due on borrowings	2,264	2,264	1,080	1,080
Interest accrued but not due on debentures	705	705	440	440
Capital creditors	7,443	7,443	15,616	15,616
Purchase consideration payable	1,023	1,023	1,877	1,877
Other payables	1	1	-	-
Short-term borrowings	26,889	26,889	19,365	19,365
Trade payables	3,463	3,463	2,735	2,735

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

The following methods and assumptions were used to estimate the fair

i The fair values of the group's term loans from banks and financial institutions 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 year. The own non-performance risk as at 31 December 2018 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsory convertible debentures, senior secured bonds and unlisted non convertible debentures are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii 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.

44 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.

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 December 2018		31 March 2018	
	Level of fair value measurement	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at fair value through profit & loss					
Financial Assets (Current)					
Investments	Level 1	**-**	**-**	**9,269**	**9,269**
Financial assets measured at amortised cost					
Financial Assets (Non Current)					
Security deposits	Level 2	70	70	62	62
Bank deposits with remaining maturity for more than twelve months	Level 2	222	222	2,533	2,533
Total		**292**	**292**	**2,595**	**2,595**
Financial Assets (Current): Others					
Advances recoverable in cash	Level 2	153	153	586	586
Unbilled revenue	Level 2	-	-	2,950	2,950
Interest accrued on fixed deposits	Level 2	419	419	248	248
Government grant receivable	Level 2	1,392	1,392	940	940
Security deposits	Level 2	23	23	34	34
Other current financials assets	Level 2	31	31	31	31
Total		**2,018**	**2,018**	**4,789**	**4,789**
Trade receivables	Level 2	**17,445**	**17,445**	**6,701**	**6,701**
Cash and bank balances					
Cash and cash equivalent	Level 2	6,451	6,451	13,914	13,914
Bank balances other than cash and cash equivalent	Level 2	17,761	17,761	10,322	10,322
Total		**24,212**	**24,212**	**24,236**	**24,236**

(Amounts in INR millions, unless otherwise stated)

Measured at fair value through Profit and Loss					
Investments	Level 1	**643**	**643**	**643**	**643**
Measured at fair value through other comprehensive income					
Derivative instruments	Level 2	**1,453**	**1,453**	**75**	**75**
Financial liabilities measured at amortised cost					
Long-term borrowings					
Non Convertible Debentures	Level 2	65,573	65,573	63,186	63,186
Compulsory Convertible Debentures	Level 2	679	679	638	638
Term loan in Indian rupees from banks	Level 2	81,965	81,965	45,514	45,514
Term loan in Indian rupees from financial institution	Level 2	47,567	47,567	64,020	64,020
Buyer's / Supplier's credit	Level 2	10,017	10,017	13,961	13,961
Bonds	Level 2	32,238	32,238	31,766	31,766
Total		**238,039**	**238,038**	**219,085**	**219,084**
Short-term borrowings	Level 2	**26,889**	**26,889**	**19,365**	**19,365**
Trade payables	Level 2	**3,463**	**3,463**	**2,735**	**2,735**
Financial liabilities (Current): Others					
Interest accrued but not due on borrowings	Level 2	2,264	2,264	1,080	1,080
Interest accrued and due on borrowings	Level 2	-	-	-	-
Interest accrued but not due on debentures	Level 2	705	705	440	440
Capital creditors	Level 2	7,443	7,443	15,616	15,616
Purchase consideration payable	Level 2	1,023	1,023	1,877	1,877
Share application money received and due for refund	Level 2	-	-	-	-
Other payables	Level 2	-	-	-	-
Total		**11,435**	**11,435**	**19,013**	**19,013**
Measured at fair value through Other comprehensive income					
Derivative instruments	Level 2	**695**	**695**	**931**	**931**

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets measured at fair value through profit & loss			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Financial assets measured at fair value through other comprehensive income			
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 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	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
Share application money pending allotment	Level 2	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
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Insurance claim receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Accrued interest on NSC	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities measured at fair value through other comprehensive income			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities measured at amortised cost			
Non Convertible Debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Compulsory Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan in Indian rupees from banks	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan in Indian rupees from financial institution	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Buyer's / Supplier's credit (secured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bonds	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Security deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Short-term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued and due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Purchase consideration payable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Share application money received and due for refund	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Other payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

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

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 3 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 December 2018 and 31 March 2018. 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 December 2018.

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 liabilities, as follows:

	31 December 2018		31 December 2017	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+358	+/(-)50	(-)/+ 258
US dollar	+/(-)60	(-)/+2	+/(-)60	(-)/+ 2

	31 December 2018		31 December 2017	
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	(-)/+227	+/(-)50	+/(-) 221
US dollar	+/(-)60	(-)/+2	+/(-)60	+/(-) 2

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.

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. The Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Group does not undertake any speculative transaction.

Foreign currency sensitivity

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

	31 December 2018		31 December 2017	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(22)	22	(22)	22

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 but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities. The maximum credit exposure to credit risk for the components of the balance sheet at 31 December 2018, 31 March 2018 is the carrying amount of all the financial assets.

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 December 2018 and 31 March 2018 is the carrying amount of all the financial assets.

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 credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by Group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the 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.

(Amounts in INR millions, unless otherwise stated)

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, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind and solar power plants and related assets. The 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:

Period ended 31 December 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Unlisted redeemable, non cumulative and non convertible debentures*	-	-	-	57,530	25,597	83,128
Compulsory convertible debentures	-	-	-	-	679	679
Term loan from Banks*	-	-	-	58,715	77,550	136,266
Loans from Financial Institutions*	-	-	-	27,513	70,631	98,143
Bonds*	-	-	-	40,955	-	40,955
Convertible preference shares						-
Short term borrowings						
Loans from related party	-	-	-	-	-	-
Acceptances	-	5,973	7,933	-	-	13,907
Commercial papers (unsecured)	-	2,862	-	-	-	2,862
Loan from related party (unsecured)	573	-	-	-	-	573
Loan from body corporate	47	-				47
Buyer's / Supplier's credit	-	2,154	2,918	-	-	5,072
Working capital demand loans	-	2,000	2,440	-	-	4,440
Other financial liabilities						
Current maturities of long term borrowings*	-	8,566	30,048	-	-	38,614
Interest accrued but not due on borrowings	-	2,264	-	-	-	2,264
Interest accrued but not due on debentures	-	705	-	-	-	705
Mark to market on derivatives	-	695	-	-	-	695
Capital Creditors	-	7,443	-	-	-	7,443
Purchase consideration payable	-	1,023	-	-	-	1,023
Trades payables						
Trades payables	-	3,463	-	-	-	3,463

* Including future interest payments.
Group expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

(Amounts in INR millions, unless otherwise stated)

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Unlisted redeemable, non cumulative and non convertible debentures*	-	-	-	64,455	29,148	93,603
Compulsory convertible debentures	-	-	-	-	638	638
Term loan from Banks and financial institutions*	-	-	-	75,225	114,883	190,108
Buyer's credit	-	-	-	8,452	-	8,452
Bonds*	-	-	-	43,719	-	43,719
Short term borrowings						
Acceptances	-	7,294	-	-	-	7,294
Commercial papers (unsecured)	-	5,165	-	-	-	5,165
Loan from body corporate	-	83				83
Buyer's / Supplier's credit	-	3,174	669	-	-	3,843
Working capital demand loans	-	-	2,980	-	-	2,980
Other financial liabilities						
Current maturities of long term borrowings*	-	42,125	25,607	-	-	67,733
Interest accrued but not due on borrowings	-	648	432	-	-	1,080
Interest accrued but not due on debentures	-	440	-	-	-	440
Mark to market on derivatives	-	931	-	-	-	931
Capital Creditors	-	15,616	-	-	-	15,616
Purchase consideration payable	-	1,877	-	-	-	1,877
Trades payables						
Trades payables	-	2,735	-	-	-	2,735

*including future interest payments.

(Amounts in INR millions, unless otherwise stated)

46 Capital management

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

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

To maintain or adjust the capital structure, the 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.

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 December 2018.

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

(i) Contingent liabilities
The Group has contingent liability of INR 150 (31 March 2018: 255).

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 December 2018, the group has capital commitment (net of advances) pertaining to commissioning of wind & solar energy projects of INR 75,597 (31 March 2018: 26,112).

48 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the nine months period ended 31 December 2018
Revenue as per contracted price	34,874
Adjustments	
Discounts and rebates	(267)
Operating charges	(188)
Consideration payable to customers	(3)
Revenue from contract with customers	34,416

49 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 2.02% to 7.90% p.a. and receive a variable interest at 1 month LIBOR plus 0.45% p.a. to 6 month LIBOR plus 1.10% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 8.67% to 13.50% p.a. and receive a variable interest at 3 month LIBOR plus 0.01% to 6 months LIBOR plus 3.85% p.a. on the notional amount.

The cash flow hedges through CCS of USD 426,129,169, IRS of USD 38,068,139 and forward of USD 300,612,912 and CNH 870,936,204 outstanding at the year ended 31 December 2018 were assessed to be highly effective and a mark to market loss of INR 678 (31 March 2018: INR 356) with a deferred tax asset of INR 176 (31 March 2018: INR 91), is included in OCI.

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

(Amounts in INR millions, unless otherwise stated)

	31 December 2018		31 March 2018	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Derivative contracts designated as hedging instruments	1,453	695	75	931

Hedging reserve movement	**As at 31 December 2018**	**As at 31 March 2018**
Balance at the beginning (after non controlling interest)	(271)	(978)
Gain/(loss) recognised on cash flow hedges	(316)	(612)
Income tax relating to gain/loss recognized on cash flow hedges	83	104
Gain/(loss) reclassified to profit or loss	(27)	405
Income tax relating to gain/loss reclassified to profit or loss	7	(111)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	8	1,178
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(2)	(311)
Gain/(loss) reclassified to profit or loss as hedged future cash flows are no longer expected to occur	13	173
Income tax relating to gain/loss reclassified to profit or loss as hedged future cash flows are no longer expected to occur	(3)	(52)
Balance at the end	(508)	(205)
Less: Non controlling interest movement	(18)	(66)
Balance at the end (after non controlling interest)	(526)	(271)

50 The Group has entered into various Power Purchase Agreements (PPAs) with Southern Power Distribution Company of Andhra Pradesh Limited i.e. the distribution company of Andhra Pradesh ("APDISCOMS"). In terms of the Generation Based Incentive ("GBI") scheme of the Ministry of Renewable Energy ("MNRE"), the Group accrues the 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 Company has filed a writ petition before the Andhra Pradesh High Court ("AP High Court") challenging the vires of the regulation and the order passed by the APERC. Interim stay against the order of APERC has been granted by AP High Court in August 2018.

As at 31 December 2018 the cumulative amount on the above matter recoverable from the APDISCOMs against the said PPAs included in trade receivables amounts to INR 1,340. 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 financial statements in this regard.

51 Break up of investments in entities under control is as under -

Name of Companies	Cost of acquisition	Fair value upliftment on account of business combination	Share in other comprehensive income of entities with joint control post acquisition	Carrying cost of investments
Prathmesh Solarfarms Limited				
As at 31 December 2018	492	244	(18)	474
As at 31 March 2018	*492*	*244*	*0*	*492*
Abha Solarfarms Limited				
As at 31 December 2018	89	64	(1)	88
As at 31 March 2018	*89*	*64*	*0*	*89*
Heramba Renewables Limited				
As at 31 December 2018	161	116	0	162
As at 31 March 2018	*161*	*116*	*0*	*161*
Aalok Solarfarms Limited				
As at 31 December 2018	88	64	(1)	87
As at 31 March 2018	*88*	*64*	*0*	*88*
Shreyas Solarfarms Limited				
As at 31 December 2018	170	123	(2)	168
As at 31 March 2018	*170*	*123*	*0*	*170*

(Amounts in INR millions, unless otherwise stated)

52 Business combinations

The group have acquired unlisted company 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.

Assets acquired and liabilities assumed

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

Particulars	For the year ended 31 March 2018		
	Zemira Renewable Private Limited**	Ostro Energy Private Limited**	KCT Renewable Energy Private Limited**
Acquisition date	**31 March 2018**	**28 March 2018**	**15 November 2017**
Segment	**Wind**	**Wind & Solar**	**Wind**
Assets	**INR**	**INR**	**INR**
Property plant and equipment	3,562	45,796	7,018
Intangible assets	457	21,529	2,113
Intangible assets under development	-	1,416	-
Capital Work in Progress	-	5,232	-
Loans	-	-	-
Deferred tax assets (net)	1	315	-
Prepayments - Non Current	-	696	-
Non-current investments	-	1,644	-
Other non-current financial assets	-	80	-
Other non-current assets	-	1,243	0
Current investments	-	4,332	193
Trade receivables	-	960	867
Prepayments - Current	-	204	10
Cash and cash equivalents	0	3,480	108
Bank balances other than cash and cash equivalent	-	970	-
Others current financial assets	4	416	19
Other current assets	-	209	29
	4,024	**88,522**	**10,357**
Liabilities			
Long-term borrowings	-	45,171	-
Short-term borrowings	2	480	-
Deferred tax liabilities (net)	-	4,997	478
Other non current liabilities	-	735	-
Trade payables	0	58	0
Other current financial liabilities	4,024	4,278	6,137
Other current liabilities	0	249	2
Short term Provisions	-	124	43
Long term Provisions	-	0	-
	4,025	**56,090**	**6,660**
Total identifiable net assets at fair value	**(2)**	**32,432**	**3,697**
Goodwill/(Bargain purchase) on acquisition	2	9,902	755
Purchase consideration transferred	1	42,334	4,452

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property plant and equipment and Intangible Assets.

*Due to the group's long term contractual relationship with the respective seller and its leadership position in the wind energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 114.40.

** Goodwill recognised represents the future economic and synergy benefits arising from assets acquired to strengthen it's position in renewable energy sector. Goodwill is allocated entirely to the wind and solar power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, acquired entitles have contributed in revenue and profit/loss before tax follows:

Particulars	From the date of acquisition till 31 March 2018		
	Zemira Renewable Private Limited	Ostro Energy Private Limited	KCT Renewable Energy Private Limited
Revenue	0	44	278
Profit/(loss) before tax	(0)	(7)	(106)

If the combination had taken place at the beginning of the year, revenue from operations and the loss before tax would have been:

Particulars	For the year ended 31 March 2018		
	Zemira Renewable Private Limited	Ostro Energy Private Limited	KCT Renewable Energy Private Limited
Revenue	5	6358	1228
Profit/(loss) before tax	-3	29	339

(Amounts in INR millions, unless otherwise stated)

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

Name of the entity	As at 31 December 2018		For the nine months period ended 31 December 2018					
	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	**44%**	**74,091**	**(8%)**	**(268)**	**2%**	**(5)**	**(8%)**	**(273)**
Subsidiaries								
Renew Wind Energy (Rajasthan) Private Limited	1%	1,650	7%	242	0%	-	7%	242
Renew Wind Energy (Welturi) Private Limited	0%	207	1%	38	0%	-	1%	38
Renew Wind Energy (Devgarh) Private Limited	0%	575	1%	31	(9%)	22	2%	53
ReNew Wind Energy (Karnataka) Private Limited	1%	1,572	2%	85	0%	-	3%	85
Renew Wind Energy (AP) Private Limited	1%	1,506	6%	224	0%	-	7%	224
Renew Wind Energy (Rajkot) Private Limited	1%	1,651	3%	95	0%	-	3%	95
ReNew Wind Energy (Jath) Limited	1%	1,477	3%	108	0%	-	3%	108
Renew Wind Energy (Delhi) Private Limited	0%	800	2%	81	0%	-	2%	81
Renew Wind Energy (Shivpur) Private Limited	1%	1,971	1%	41	0%	-	1%	41
Renew Wind Energy (Jadeswar) Private Limited	0%	467	1%	34	0%	-	1%	34
ReNew Wind Energy (Varekarwadi) Private Limited	1%	1,385	7%	250	0%	-	8%	250
Renew Wind Energy MP Private Limited	0%	517	(0%)	(15)	0%	-	(0%)	(15)
Renew Wind Energy (AP 3) Private Limited	1%	1,212	2%	64	0%	-	2%	64
Renew Wind Energy (MP Two) Private Limited	1%	1,088	2%	85	0%	-	3%	85
Renew Wind Energy (Rajasthan One) Private Limited	1%	1,312	1%	50	0%	-	2%	50
Renew Wind Energy (Sipla) Private Limited	0%	475	(1%)	(32)	27%	(69)	(3%)	(101)
Renew Wind Energy (Jamb) Private Limited	0%	282	(4%)	(131)	(1%)	4	(4%)	(127)
Renew Wind Energy (Orissa) Private Limited	0%	96	(1%)	(45)	0%	-	(1%)	(45)
Renew Wind Energy (TN) Private Limited	(0%)	(10)	(0%)	(8)	0%	-	(0%)	(8)
Renew Wind Energy (Rajasthan 2) Private Limited	(0%)	(2)	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (AP 2) Private Limited	(0%)	(4)	(0%)	(5)	0%	-	(0%)	(5)
Renew Wind Energy (Karnataka Two) Private Limited	(0%)	(7)	(0%)	(5)	0%	-	(0%)	(5)
Renew Wind Energy (Vaspet 5) Private Limited	(0%)	(1)	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (Jath Three) Private Limited	(0%)	(1)	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (AP 4) Private Limited	(0%)	(5)	(0%)	(1)	0%	-	(0%)	(1)
Renew Wind Energy (MP One) Private Limited	(0%)	(9)	(0%)	(4)	0%	-	(0%)	(4)
Renew Wind Energy (Karnataka Five) Private Limited	(0%)	(7)	(0%)	(3)	0%	-	(0%)	(3)
Renew Wind Energy (Rajasthan 3) Private Limited	1%	2,175	(0%)	(11)	(38%)	96	3%	85
Narmada Wind Energy Private Limited	0%	662	2%	64	0%	-	2%	64
Abaha Wind Energy Private Limited	0%	5	(0%)	(1)	0%	-	(0%)	(1)
Helios Infratech Private Limited	1%	979	3%	112	0%	-	3%	112
Shruti Power Private Limited	0%	224	1%	26	0%	-	1%	26
Molagavalli Renewable Private Limited	0%	723	3%	104	0%	-	3%	104
KCT Renewable Energy Private Limited	2%	2,733	8%	282	0%	-	9%	282
Kanak Renewables Limited	0%	38	1%	38	0%	-	1%	38
Rajat Renewables Limited	(0%)	(8)	(0%)	(9)	0%	-	(0%)	(9)
Pugalur Renewable Private Limited	0%	19	1%	23	0%	-	1%	23
Bidwal Renewable Private Limited	0%	3	0%	8	0%	-	0%	8
Zemira Renewable Energy Limited	0%	316	3%	92	0%	-	3%	92
Renew Solar Power Private Limited	7%	11,514	(8%)	(295)	105%	(265)	(17%)	(560)
Renew Solar Energy Private Limited	0%	413	1%	24	(0%)	0	1%	24
Renew Solar Energy (Rajasthan) Private Limited	0%	282	(0%)	(12)	(22%)	57	1%	44
Renew Solar Energy (TN) Private Limited	1%	1,295	4%	128	0%	-	4%	128
Renew Solar Energy (Karnataka) Private Limited	1%	1,081	2%	54	0%	-	2%	54
Renew Akshay Urja Limited	2%	2,987	1%	32	0%	-	1%	32
Renew Solar Energy (Telangana) Private Limited	2%	2,702	4%	124	(10%)	25	5%	148
Renew Saur Urja Private Limited	1%	1,357	1%	39	(8%)	20	2%	59
Renew Clean Energy Private Limited	0%	135	2%	78	(5%)	13	3%	91
ReNew Solar Services Private Limited	0%	27	0%	12	0%	-	0%	12
ReNew Agni Power Private Limited	0%	18	0%	6	1%	(2)	0%	4
ReNew Mega Solar Power Private Limited	1%	1,129	1%	51	(5%)	12	2%	63
ReNew Saur Shakti Private Limited	1%	1,176	2%	54	(5%)	12	2%	67
Renew Sol Energy (Jharkhand One) Private Limited	0%	370	0%	1	0%	-	0%	1
Renew Sol Energy (Jharkhand Two) Private Limited	4%	6,295	1%	48	1%	(3)	1%	45
Renew Sol Energy (Jharkhand Three) Private Limited	0%	358	0%	2	0%	-	0%	2
Renew Sol Energy (Jharkhand Four) Private Limited	0%	355	(0%)	(2)	0%	-	(0%)	(2)
Renew Sol Energy (Jharkhand Five) Private Limited	0%	344	0%	2	0%	-	0%	2
Renew Solar Energy (Karnataka Two) Private Limited	0%	510	3%	101	0%	-	3%	101
Renew Wind Energy (Karnataka 3) Private Limited	0%	28	0%	5	(1%)	3	0%	8
ReNew Wind Energy (MP Four) Private Limited	(0%)	(17)	0%	3	(3%)	8	0%	11
ReNew Wind Energy (MP Three) Private Limited	0%	17	(0%)	(8)	(3%)	7	(0%)	(1)
ReNew Wind Energy (Rajasthan Four) Private Limited	0%	9	(0%)	(4)	(8%)	20	0%	16
Renew Wind Energy (Maharashtra) Private Limited	(0%)	(17)	(1%)	(18)	(0%)	0	(1%)	(18)
Renew Wind Energy (Karnataka 4) Private Limited	(0%)	(22)	0%	11	0%	(1)	0%	11
Bhumi Prakash Private Limited	(0%)	(9)	(0%)	(0)	1%	(3)	(0%)	(3)
Tarun Kiran Bhoomi Private Limited	(0%)	(51)	(0%)	(7)	0%	(1)	(0%)	(8)
Renew Wind Energy (AP Five) Private Limited	(0%)	(5)	(0%)	(2)	0%	-	(0%)	(2)
Symphony Vyapaar Private Limited	0%	392	0%	8	0%	-	0%	8
Lexicon Vanijya Private Limited	0%	386	0%	11	0%	-	0%	11
Star Solar Power Private Limited	0%	164	0%	2	0%	-	0%	2
Sungold Energy Private Limited	0%	164	0%	3	0%	-	0%	3
Renew Wind Energy (Budh 3) Private Limited	0%	445	(0%)	(14)	17%	(42)	(2%)	(56)
ReNew Wind Energy (TN 2) Private Limited	1%	1,735	(1%)	(24)	(17%)	42	1%	19

(Amounts in INR millions, unless otherwise stated)

Name of the entity	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%	59	(0%)	(6)	0%	-	(0%)	(6)
ReNew Distributed Solar Power Private Limited	(0%)	(2)	(0%)	(5)	0%	-	(0%)	(5)
ReNew Surya Mitra Private Limited	(0%)	(0)	(0%)	(0)	0%	-	(0%)	(0)
ReNew Surya Prakash Private Limited	0%	15	0%	6	0%	-	0%	6
Renew Saur Vidyut Private Limited	0%	92	0%	16	0%	-	0%	16
SunSource Energy Services Private Limited	0%	46	(0%)	(0)	0%	-	(0%)	(0)
Renew Solar Sun Flame Private Limited	0%	0	0%	0	0%	-	0%	0
ReNew Solar Daylight Energy Private Limited	(0%)	(0)	(0%)	(0)	0%	-	(0%)	(0)
Vivasvat Solar Energy Private Limited	(0%)	(19)	(0%)	(0)	8%	(19)	(1%)	(19)
Nokor Solar Energy Private Limited	(0%)	(19)	(0%)	(0)	7%	(19)	(1%)	(19)
Akhilagya Solar Energy Private Limited	(0%)	(19)	(0%)	(0)	7%	(19)	(1%)	(19)
Abha Sunlight Private Limited	0%	3	(0%)	(0)	(1%)	3	0%	3
Izra Solar Energy Private Limited	0%	3	(0%)	(0)	(1%)	3	0%	3
Nokor Bhoomi Private Limited	0%	3	(0%)	(0)	(1%)	3	0%	3
Zorya Solar Energy Private Limited	0%	3	(0%)	(0)	(1%)	3	0%	3
ReNew Transmission Ventures Private Limited	(0%)	(25)	(1%)	(25)	0%	-	(1%)	(25)
Adyah Solar Energy Private Limited	(0%)	(154)	(0%)	(5)	59%	(149)	(5%)	(154)
Ostro Energy Private Limited	11%	18,340	4%	132	3%	(8)	4%	125
Ostro Rann Wind Private Limited	0%	2	(0%)	(1)	0%	-	(0%)	(1)
Ostro Alpha Wind Private Limited	0%	0	(0%)	(1)	0%	-	(0%)	(1)
Ostro Bhesada Wind Private Limited	(0%)	(1)	(0%)	(0)	0%	-	(0%)	(0)
Ostro Dakshin Power Private Limited	1%	1,815	7%	260	0%	-	8%	260
Ostro Dhar Wind Private Limited	(0%)	(2)	(0%)	(0)	0%	-	(0%)	(0)
Ostro Kutch Wind Private Limited	1%	1,212	(0%)	(4)	0%	-	(0%)	(4)
Ostro Kannada Power Private Limited	0%	1	(0%)	(0)	0%	-	(0%)	(0)
Ostro Raj Wind Private Limited	0%	7	(0%)	(0)	0%	-	(0%)	(0)
Ostro Jaisalmer Private Limited	1%	1,364	3%	104	0%	-	3%	104
Ostro Madhya Wind Private Limited	1%	1,745	6%	212	0%	-	7%	212
Ostro Mahawind Power Private Limited	0%	662	1%	38	0%	-	1%	38
Ostro Anantapur Private Limited	1%	1,759	3%	121	0%	-	4%	121
Ostro Renewables Private Limited	1%	871	(0%)	(3)	0%	-	(0%)	(3)
AVP Powerinfra Private Limited	0%	506	3%	120	0%	-	4%	120
Badoni Power Private Limited	0%	468	2%	75	0%	-	2%	75
Ostro Andhra Wind Private Limited	1%	2,072	3%	121	0%	-	4%	121
Ostro AP Wind Private Limited	1%	2,160	5%	180	0%	-	6%	180
Ostro Urja Wind Private Limited	1%	1,434	5%	177	0%	-	5%	177
ReNew Power Singapore PTE	(0%)	(1)	(0%)	(0)	0%	(0)	(0%)	(0)
ReNew Americas Inc	(0%)	(39)	(2%)	(56)	0%	(1)	(2%)	(57)
Auxo Solar Energy Private Limited	0%	-	0%	-	0%	-	0%	-
ReNew Power International Limited	0%	-	0%	-	0%	-	0%	-
Zorya Distributed Power Services Private Limited	0%	-	0%	-	0%	-	0%	-
	100%	**170,137**	**100%**	**3,505**	**100%**	**(253)**	**100%**	**3,252**
Minority Interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	-	58	-	30	-	-	-	30
Renew Wind Energy (AP) Private Limited	-	122	-	70	-	-	-	70
Renew Solar Energy (Karnataka) Private Limited	-	447	-	27	-	-	-	27
Renew Akshay Urja Limited	-	1,311	-	14	-	-	-	14
Renew Solar Energy (Telangana) Private Limited	-	1,211	-	61	-	12	-	73
ReNew Mega Solar Power Private Limited	-	510	-	25	-	6	-	31
Entities under joint control								
Prathamesh Solarfarms Limited	-	-	-	(12)	-	-	-	(12)
Heramba Renewables Limited	-	-	-	0	-	-	-	0
Aalok Solarfarms Limited	-	-	-	(1)	-	-	-	(1)
Shreyas Solarfarms Limited	-	-	-	(2)	-	-	-	(2)
Abha Solarfarms Limited	-	-	-	(1)	-	-	-	(1)
Adjustments arising out of consolidation	-	(96,013)	-	(1,203)	-	(17)	-	(1,221)
Total		**77,783**		**2,512**		**(253)**		**2,259**

(Amounts in INR millions, unless otherwise stated)

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

Name of the entity	As at 31 March 2018		For the nine months period ended 31 December 2017					
	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	**49%**	**73,539**	**23%**	**532**	**(0%)**	**(1)**	20%	**531**
Subsidiaries								
Renew Wind Energy (Rajasthan) Private Limited	1%	1,408	3%	59	0%	-	2%	59
Renew Wind Energy (Welturi) Private Limited	0%	170	0%	11	0%	-	0%	11
Renew Wind Energy (Devgarh) Private Limited	0%	523	4%	94	(11%)	(41)	2%	53
ReNew Wind Energy (Karnataka) Private Limited	1%	1,487	(0%)	(2)	0%	-	(0%)	(2)
Renew Wind Energy (AP) Private Limited	1%	1,282	5%	108	0%	-	4%	108
Renew Wind Energy (Rajkot) Private Limited	1%	1,557	6%	140	0%	-	5%	140
ReNew Wind Energy (Jath) Limited	1%	1,369	9%	209	0%	-	8%	209
Renew Wind Energy (Delhi) Private Limited	0%	719	1%	32	0%	-	1%	32
Renew Wind Energy (Shivpur) Private Limited	1%	1,930	5%	105	0%	-	4%	105
Renew Wind Energy (Jadeswar) Private Limited	0%	432	2%	40	0%	-	2%	40
ReNew Wind Energy (Varekarwadi) Private Limited	1%	1,135	5%	118	0%	-	4%	118
Renew Wind Energy MP Private Limited	0%	532	(2%)	(39)	0%	-	(1%)	(39)
Renew Wind Energy (AP 3) Private Limited	1%	1,148	0%	2	0%	-	0%	2
Renew Wind Energy (MP Two) Private Limited	1%	1,003	(1%)	(20)	0%	-	(1%)	(20)
Renew Wind Energy (Rajasthan One) Private Limited	1%	1,262	5%	125	0%	-	5%	125
Renew Wind Energy (Sipla) Private Limited	0%	576	6%	142	(14%)	(51)	3%	91
Renew Wind Energy (Jamb) Private Limited	0%	410	(2%)	(53)	(0%)	(1)	(2%)	(55)
Renew Wind Energy (Orissa) Private Limited	0%	141	(1%)	(23)	0%	-	(1%)	(23)
Renew Wind Energy (TN) Private Limited	(0%)	(1)	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (Rajasthan 2) Private Limited	(0%)	(2)	(0%)	(1)	0%	-	(0%)	(1)
Renew Wind Energy (AP 2) Private Limited	0%	2	0%	3	0%	-	0%	3
Renew Wind Energy (Karnataka Two) Private Limited	(0%)	(2)	(0%)	(2)	0%	-	(0%)	(2)
Renew Wind Energy (Vaspet 5) Private Limited	(0%)	(1)	(0%)	(1)	0%	-	(0%)	(1)
Renew Wind Energy (Jath Three) Private Limited	(0%)	(1)	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (AP 4) Private Limited	(0%)	(4)	(0%)	(1)	0%	-	(0%)	(1)
Renew Wind Energy (MP One) Private Limited	(0%)	(5)	(0%)	(4)	0%	-	(0%)	(4)
Renew Wind Energy (Karnataka Five) Private Limited	(0%)	(4)	(0%)	(3)	0%	-	(0%)	(3)
Renew Wind Energy (Rajasthan 3) Private Limited	1%	2,090	3%	67	(13%)	(50)	1%	17
Narmada Wind Energy Private Limited	0%	597	(2%)	(54)	0%	-	(2%)	(54)
Abaha Wind Energy Private Limited	0%	6	(0%)	(1)	0%	-	(0%)	(1)
Helios Infratech Private Limited	1%	867	(3%)	(62)	0%	-	(2%)	(62)
Shruti Power Private Limited	0%	198	0%	8	0%	-	0%	8
Molagavalli Renewable Private Limited	0%	619	4%	87	0%	-	3%	87
KCT Renewable Energy Private Limited	2%	2,451	15%	335	0%	-	13%	335
Kanak Renewables Limited	(0%)	(1)	0%	-	0%	-	0%	-
Rajat Renewables Limited	(0%)	(0)	0%	-	0%	-	0%	-
Pugalur Renewable Private Limited	(0%)	(4)	0%	-	0%	-	0%	-
Bidwal Renewable Private Limited	(0%)	(4)	0%	-	0%	-	0%	-
Zemira Renewable Energy Limited	(0%)	(2)	0%	-	0%	-	0%	-
Renew Solar Power Private Limited	8%	11,717	(6%)	(129)	3%	10	(4%)	(119)
Renew Solar Energy Private Limited	0%	375	5%	114	17%	65	7%	180
Renew Solar Energy (Rajasthan) Private Limited	0%	238	(0%)	(8)	(4%)	(15)	(1%)	(23)
Renew Solar Energy (TN) Private Limited	1%	1,167	6%	144	0%	0	5%	144
Renew Solar Energy (Karnataka) Private Limited	1%	1,027	(5%)	(119)	0%	-	(4%)	(119)
Renew Akshay Urja Limited	2%	2,955	9%	217	29%	110	12%	326
Renew Solar Energy (Telangana) Private Limited	2%	2,549	6%	142	(5%)	(18)	5%	124
Renew Saur Urja Private Limited	1%	1,291	(0%)	(10)	11%	42	1%	32
Renew Clean Energy Private Limited	0%	44	0%	11	33%	125	5%	136
ReNew Solar Services Private Limited	0%	15	0%	0	0%	-	0%	0
ReNew Agni Power Private Limited	0%	14	0%	4	(3%)	(12)	(0%)	(8)
ReNew Mega Solar Power Private Limited	1%	1,066	4%	82	(5%)	(17)	2%	64
ReNew Saur Shakti Private Limited	1%	1,109	5%	123	(3%)	(13)	4%	110
Renew Sol Energy (Jharkhand One) Private Limited	0%	369	1%	14	0%	-	1%	14
Renew Sol Energy (Jharkhand Two) Private Limited	4%	5,475	2%	53	2%	8	2%	61
Renew Sol Energy (Jharkhand Three) Private Limited	0%	356	1%	14	0%	-	1%	14
Renew Sol Energy (Jharkhand Four) Private Limited	0%	357	1%	15	0%	-	1%	15
Renew Sol Energy (Jharkhand Five) Private Limited	0%	342	1%	12	0%	-	0%	12
Renew Solar Energy (Karnataka Two) Private Limited	0%	229	(2%)	(54)	0%	-	(2%)	(54)
Renew Wind Energy (Karnataka 3) Private Limited	0%	20	(5%)	(109)	(3%)	(10)	(4%)	(119)
ReNew Wind Energy (MP Four) Private Limited	(0%)	(29)	(1%)	(17)	(2%)	(6)	(1%)	(23)
ReNew Wind Energy (MP Three) Private Limited	0%	18	0%	4	13%	50	2%	54
ReNew Wind Energy (Rajasthan Four) Private Limited	(0%)	(7)	0%	1	3%	10	0%	11
Renew Wind Energy (Maharashtra) Private Limited	0%	2	0%	6	12%	45	2%	51
Renew Wind Energy (Karnataka 4) Private Limited	(0%)	(33)	(1%)	(25)	(2%)	(6)	(1%)	(31)
Bhumi Prakash Private Limited	(0%)	(6)	(0%)	(5)	8%	31	1%	26
Tarun Kiran Bhoomi Private Limited	(0%)	(43)	(1%)	(25)	(3%)	(11)	(1%)	(36)
Renew Wind Energy (AP Five) Private Limited	(0%)	(3)	(0%)	(2)	0%	-	(0%)	(2)
Symphony Vyapaar Private Limited	0%	384	(0%)	(0)	0%	-	(0%)	(0)
Lexicon Vanijya Private Limited	0%	375	0%	2	0%	-	0%	2
Star Solar Power Private Limited	0%	162	0%	1	0%	-	0%	1
Sungold Energy Private Limited	0%	161	(0%)	(0)	0%	-	(0%)	(0)
Renew Wind Energy (Budh 3) Private Limited	0%	501	0%	3	(5%)	(19)	(1%)	(16)
ReNew Wind Energy (TN 2) Private Limited	1%	1,716	(5%)	(123)	41%	152	1%	29

(Amounts in INR millions, unless otherwise stated)

Name of the entity	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%	35	0%	1	0%	-	0%	1
ReNew Distributed Solar Energy Private Limited	0%	64	(0%)	(1)	0%	-	(0%)	(1)
ReNew Distributed Solar Power Private Limited	0%	3	(0%)	(1)	0%	-	(0%)	(1)
ReNew Surya Mitra Private Limited	(0%)	(0)	(0%)	(0)	0%	-	(0%)	(0)
ReNew Surya Prakash Private Limited	0%	9	0%	3	0%	-	0%	3
Renew Saur Vidyut Private Limited	0%	76	0%	4	0%	-	0%	4
SunSource Energy Services Private Limited	0%	46	(0%)	(2)	0%	-	(0%)	(2)
Renew Solar Sun Flame Private Limited	0%	0	(0%)	(0)	0%	-	(0%)	(0)
ReNew Solar Daylight Energy Private Limited	0%	0	(0%)	(0)	0%	-	(0%)	(0)
Vivasvat Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
Nokor Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
Akhilagya Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
Abha Sunlight Private Limited	0%	0	0%	-	0%	-	0%	-
Izra Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
Nokor Bhoomi Private Limited	0%	0	0%	-	0%	-	0%	-
Zorya Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
ReNew Transmission Ventures Private Limited	0%	0	0%	-	0%	-	0%	-
Adyah Solar Energy Private Limited	0%	0	0%	-	0%	-	0%	-
Ostro Energy Private Limited	0%	403	0%	-	0%	-	0%	-
Ostro Rann Wind Private Limited	0%	4	0%	-	0%	-	0%	-
Ostro Alpha Wind Private Limited	0%	5	0%	-	0%	-	0%	-
Ostro Bhesada Wind Private Limited	0%	0	0%	-	0%	-	0%	-
Ostro Dakshin Power Private Limited	1%	1,988	0%	-	0%	-	0%	-
Ostro Dhar Wind Private Limited	0%	0	0%	-	0%	-	0%	-
Ostro Kutch Wind Private Limited	2%	3,076	0%	-	0%	-	0%	-
Ostro Kannada Power Private Limited	0%	2	0%	-	0%	-	0%	-
Ostro Raj Wind Private Limited	0%	8	0%	-	0%	-	0%	-
Ostro Jaisalmer Private Limited	1%	889	0%	-	0%	-	0%	-
Ostro Madhya Wind Private Limited	1%	1,523	0%	-	0%	-	0%	-
Ostro Mahawind Power Private Limited	1%	1,501	0%	-	0%	-	0%	-
Ostro Anantapur Private Limited	1%	1,890	0%	-	0%	-	0%	-
Ostro Renewables Private Limited	0%	498	0%	-	0%	-	0%	-
AVP Powerinfra Private Limited	0%	506	0%	-	0%	-	0%	-
Badoni Power Private Limited	0%	513	0%	-	0%	-	0%	-
Ostro Andhra Wind Private Limited	1%	1,948	0%	-	0%	-	0%	-
Ostro AP Wind Private Limited	1%	1,977	0%	-	0%	-	0%	-
Ostro Urja Wind Private Limited	1%	1,528	0%	-	0%	-	0%	-
ReNew Power Singapore PTE	0%	-	0%	-	0%	-	0%	-
	100%	**149,829**	**100%**	**2,293**	**100%**	**375**	**100%**	**2,668**
Minority Interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	-	28	-	(1)	-	-	-	(1)
Renew Wind Energy (AP) Private Limited	-	51	-	34	-	-	-	34
Renew Solar Energy (TN) Private Limited	-	1	-	0	-	-	-	0
Renew Solar Energy (Karnataka) Private Limited	-	420	-	(58)	-	-	-	(58)
Renew Akshay Urja Limited	-	1,297	-	95	-	(48)	-	47
Renew Solar Energy (Telangana) Private Limited	-	1,138	-	69	-	9	-	78
ReNew Mega Solar Power Private Limited	-	479	-	40	-	8	-	48
Adjustments arising out of consolidation	-	(78,564)	-	(1,073)	-	31	-	(1,042)
Total		**74,679**		**1,400**		**375**		**1,775**

54 Significant accounting judgments, estimates and assumptions

The preparation of unaudited interim 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 interim 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, Company is depreciating the assets bases on life as determined by an expert.

B) Estimates and assumptions:

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 43 and 44 for further disclosures.

Impairment of goodwill - The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Note 7.

55 The comparative figures presented in these Unaudited Interim Consolidated Financial Statements were 'audited' for the respective period/year end. There were no modifications in such reports.

56 Absolute amounts less than INR 500,000 are appearing in the Unaudited Interim Consolidated Financial Statements as "0" due to presentation in millions.

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

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

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Independent Auditor's Report

To the Members of ReNew Power Limited (formerly known as ReNew Power Ventures Limited and ReNew Power Ventures Private Limited)

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of ReNew Power Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("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 jointly controlled entities in accordance with 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 Standard) 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements

S.R. BATLIBOI & CO LLP
GURUGRAM

that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by 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 and jointly controlled entities as at 31 March 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements and other financial information, in respect of 66 subsidiaries, whose Ind AS financial statements include total assets of Rs 111,197 million and net assets of Rs 13,136 million as at 31 March 2018, and total revenues of Rs 19,396 million and net cash inflows of Rs 1,736 million for the year ended on that date. These financial statement and other financial information have been 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 Ind AS 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 reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matter 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 as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports 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 purpose of our audit of the aforesaid consolidated Ind AS 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, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated

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S.R. BATLIBOI & CO. LLP
Chartered Accountants

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 Ind AS financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled companies entities incorporated in India, none of the directors of the Group's companies and jointly controlled companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) 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, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entities – Refer Note 36 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 50 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group and jointly controlled entities;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India during the year ended 31 March 2018.

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

per Amit Chugh
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 16 July 2018

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Annexure to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of ReNew Power Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of ReNew Power Limited as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of ReNew Power Limited (hereinafter referred to as the "Holding Company"), its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, are 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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 Ind AS financial statements.

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

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

Inherent limitations of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at 31 March 2018, 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
Chartered Accountants

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 Ind AS financial statements of the Holding Company, insofar as it relates to these [illegible] subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: [illegible]

per [illegible] Chugh
Partner
Membership Number: [illegible]

Place of Signature: Gurugram
Date: [illegible] July 2018

ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)
Consolidated Balance Sheet as at 31 March 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
Assets			
Non-current assets			
Property, plant and equipment	5	238,442.05	127,576.80
Capital work in progress	5	7,444.43	19,095.22
Goodwill	6	10,952.87	292.72
Intangible assets	6	25,206.54	1,174.78
Intangible assets under development	6	1,423.67	-
Investment in jointly controlled entities	7	1,000.90	-
Financial assets			
Investment	8	642.88	-
Loans	8	61.80	21.87
Others	8	2,532.89	30.73
Deferred tax assets (net)	9A	1,523.16	1,342.21
Prepayments	10	1,720.31	769.59
Other non-current assets	11	7,085.52	9,570.72
Total non-current assets		**298,037.02**	**159,874.64**
Current assets			
Inventories	12	153.43	13.64
Financial assets			
Investments	8	9,268.18	6.18
Derivative instruments	13	74.82	-
Trade receivables	14	6,700.97	4,840.72
Cash and cash equivalent	15	13,913.90	27,139.00
Bank balances other than cash and cash equivalent	15	10,322.33	4,507.46
Loans	8	34.28	0.12
Others	8	4,755.09	2,541.94
Prepayments	10	492.34	210.29
Other current assets	11	2,015.64	2,131.12
Total current assets		**47,730.98**	**41,390.47**
Total assets		**345,768.00**	**201,265.11**
Equity and liabilities			
Equity			
Equity share capital	16A	3,771.58	3,383.62
Other equity			
Share premium	17.2	66,376.25	50,711.06
Capital reserve	17.3	113.98	113.98
Debenture redemption reserve	17.4	2,422.21	1,065.34
Hedging reserve	17.5	(270.83)	(978.18)
Share based payment reserve	17.6	1,026.77	536.13
Retained earnings	17.7	(2,174.03)	(1,116.63)
Equity attributable to owners of the parent		**71,265.93**	**53,715.32**
Non-controlling interests		3,414.30	3,126.32
Total equity		**74,680.23**	**56,841.64**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	18	209,286.87	102,445.87
Deferred government grant	19	287.03	11.70
Long-term provisions	20	46.54	24.68
Deferred tax liabilities (net)	9B	5,907.76	359.51
Other non-current liabilities	21	2,273.69	967.88
Total non-current liabilities		**217,801.89**	**103,809.64**

ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)
Consolidated Balance Sheet as at 31 March 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
Current liabilities			
Financial liabilities			
Short-term borrowings	22	19,365.19	16,575.83
Trade payables	23	2,734.82	2,396.20
Derivative instruments	24	931.43	2,243.60
Other current financial liabilities	25	28,810.08	18,279.63
Deferred government grant	19	12.46	0.09
Other current liabilities	26	1,220.57	1,039.25
Short-term provisions	27	211.33	79.23
Total current liabilities		**53,285.88**	**40,613.83**
Total liabilities		**271,087.77**	**144,423.47**
Total equity and liabilities		**345,768.00**	**201,265.11**
Summary of significant accounting policies	4		

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 16 July 2018

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 16 July 2018

Arun Duggal
(Independent Director)
DIN- 00024262
Place: Gurugram
Date: 16 July 2018

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 16 July 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 16 July 2018

ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income:			
Revenue from operations	28	24,616.93	13,072.96
Other income	29	3,177.77	2,434.33
Total income		**27,794.70**	**15,507.29**
Expenses:			
Cost of raw material and components consumed	30	522.15	3.94
Employee benefits expense	31	795.80	512.46
Other expenses	32	3,410.19	1,887.00
Total expenses		**4,728.14**	**2,403.40**
Earning before interest, tax, depreciation and amortization (EBITDA)		**23,066.56**	**13,103.89**
Depreciation and amortization expense	33	7,125.35	3,827.81
Finance costs	34	15,100.50	8,258.41
Profit before share of profit of jointly controlled entitles and tax		**840.71**	**1,017.67**
Share of profit of jointly controlled entities		0.12	-
Profit before tax		**840.83**	**1,017.67**
Tax expense			
Current tax		559.71	440.58
Deferred tax		(162.79)	67.73
Adjustment of tax relating to earlier periods		(76.07)	-
Profit for the year	**(a)**	**519.98**	**509.36**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges		1,144.24	(1,310.58)
Income tax effect		(371.34)	407.73
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	**(b)**	**772.90**	**(902.85)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss of defined benefit plan		(0.69)	(4.99)
Income tax effect		0.18	1.65
		(0.51)	(3.34)
Capital reserve on acquisition of subsidiaries (refer note 52)		-	113.98
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**(c)**	**(0.51)**	**110.64**
Other comprehensive income for the year, net of taxes	**(d)=(b)+(c)**	**772.39**	**(792.21)**
Total comprehensive income for the year	**(a)+(d)**	**1,292.37**	**(282.85)**

(Amounts in INR millions, unless otherwise stated)

		For the year ended 31 March 2018	For the year ended 31 March 2017
Profit for the year			
Attributable to:			
Equity holders of the parent		300.43	338.24
Non-controlling interests		219.55	171.12
Total comprehensive income for the year			
Attributable to:			
Equity holders of the parent		1,007.27	(397.44)
Non-controlling interests		285.10	114.59
Earnings per share:			
(face value per share: INR 10)			
(1) Basic	35	0.89	1.20
(2) Diluted		0.87	1.13
Summary of significant accounting policies	4		

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 16 July 2018

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 16 July 2018

Arun Duggal
(Independent Director)
DIN- 00024262
Place: Gurugram
Date: 16 July 2018

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 16 July 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 16 July 2018

ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)
Consolidated Statement of Cash Flows for the year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	840.71	1,017.67
Adjustments for:		
Depreciation/amortisation	7,125.35	3,827.82
Loss/(profit) on sale of Property plant & equipment	14.07	1.67
Loss/(profit) on sale of Investment	-	(9.64)
Capital work in progress written off	39.22	72.63
Deferred revenue	5.11	-
SECI subsidy	-	-
Government grant- viability gap funding	(24.85)	-
Loss on ineffectiveness on derivative instruments designated as cash flow hedge (net)	-	(9.95)
Operation and maintenance reserve	644.45	340.70
Share based payments	271.60	184.82
Amortization of option premium	-	15.68
Provision for doubtful debts	5.53	-
Unamortised ancillary borrowing cost written off	281.11	429.26
Interest income	(1,152.29)	(1,027.31)
Interest expense	14,417.64	7,639.86
Profit on sale of Mutual fund	(278.21)	-
Operating profit/(loss) before working capital changes	**22,189.44**	**12,483.21**
Movement in working capital		
(Increase)/decrease in trade receivables	(39.10)	(1,638.60)
(Increase)/decrease in inventories	(139.79)	(13.64)
(Increase)/decrease in other current financial assets	(1,352.52)	(1,211.49)
(Increase)/decrease in other non-current financial assets	40.13	5.23
(Increase)/decrease in other current assets	353.46	(1,680.21)
(Increase)/decrease in other non-current assets	279.00	(181.58)
(Increase)/decrease in prepayments	(323.18)	(842.92)
Increase/(decrease) in other current financial liabilities	(1.20)	(1.31)
Increase/(decrease) in other current liabilities	(148.06)	818.04
Increase/(decrease) in other non current liabilities	-	-
Increase/(decrease) in trade payables	279.99	2,033.80
Increase/(decrease) in provisions	(108.39)	27.14
Cash generated from operations	**21,029.78**	**9,797.67**
Direct taxes paid (net of refunds)	(1,118.01)	(803.72)
Net cash generated/(used) in operating activities	**19,911.77**	**8,993.95**
Cash flow from investing activities		
Purchase of Property, Plant and Equipment including cwip and capital advances	(52,297.23)	(67,838.92)
Investments of deposits having residual maturity more than 3 months (net)	(2,821.42)	7,877.97
Investment in mutual funds (made)/redeemed (net)	(7,340.16)	104.71
Purchase consideration paid (net of cash acquired)	(43,128.18)	(1,243.12)
Interest received	1,008.97	1,182.83
Net cash used in investing activities	**(104,578.02)**	**(59,916.53)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	16,053.37	19,876.76
Receipt/(payment) of share application money pending for refund	-	2.20
Government grant received	0.63	12.11
Proceeds from long-term borrowings	90,780.65	80,238.85
Repayment of long-term borrowings	(23,060.52)	(30,573.30)
Proceeds from short-term borrowings	4,080.14	11,568.37
Repayment of short-term borrowings	(1,771.96)	-
Interest paid	(14,641.16)	(6,694.78)
Net cash generated from financing activities	**71,441.15**	**74,430.21**
Net (decrease) / increase in cash and cash equivalents	**(13,225.10)**	**23,507.63**
Cash and cash equivalents at the beginning of the year	**27,139.00**	**3,631.37**
Cash and cash equivalents at the end of the year	**13,913.90**	**27,139.00**

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Components of cash and cash equivalents		
Cash on hand	0.16	0.02
Cheque on hand	-	0.20
Balances with banks:		
- On current accounts	5,199.76	8,169.97
- On deposit accounts with original maturity of less than	8,713.98	18,968.81
Total cash and cash equivalents (note 15)	**13,913.90**	**27,139.00**

Particulars	Opening balance as at 1 April 2017	Cash flows (net)	Other Changes*	Closing balance as at 31 March 2018
Long-term borrowings (including current maturities and net of ancilliary borrowings cost incurred)	104,190.55	67,720.12	47,172.95	219,083.62
Short-term borrowings	16,575.83	2,308.18	481.18	19,365.19
Derivative instruments	2,243.60	-	(1,312.17)	931.43
Total liabilities from financing activities	**123,009.98**	**70,028.30**	**46,341.96**	**239,380.24**

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

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

As per our report of even date

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

Chartered Accountants

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 16 July 2018

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 16 July 2018

Arun Duggal
(Independent Director)
DIN- 00024262
Place: Gurugram
Date: 16 July 2018

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 16 July 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 16 July 2018

ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)
Consolidated Statement of Changes in Equity for the year ended 31 March 2018
(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	Equity component of compulsorily convertible debentures	Share application money pending allotment	Reserves and Surplus			Debenture redemption reserve	Items of OCI		Total		
				Share premium	Share based payment reserve	Retained earnings		Capital reserve on business combination	Hedging Reserve			
	(refer note 16A)	(refer note 16B)	(refer note 17.1)	(refer note 17.2)	(refer note 17.6)	(refer note 17.7)	(refer note 17.4)	(refer note 17.3)	(refer note 17.5)			
At 1 April 2016	**2,608.45**	**147.12**	-	**31,243.67**	**1,397.24**	**(747.61)**	**370.32**	-	**(130.86)**	**34,888.33**	**1,665.01**	**36,553.34**
Profit for the year	-	-	-	-	-	338.24	-	-	-	338.24	171.12	509.36
Other comprehensive income (net of taxes)	-	-	-	-	-	(3.34)	-	113.98	(847.32)	(736.68)	(56.53)	(793.21)
Total comprehensive income	-	-	-	-	-	**334.90**	-	**113.98**	**(847.32)**	**(398.44)**	**114.59**	**(283.85)**
Share application money received	-	-	18,817.34	-	-	-	-	-	-	18,817.34	-	18,817.34
Equity shares issued during the year	775.17	-	(18,815.14)	18,187.73	-	-	-	-	-	147.76	826.66	973.62
Amount utilised on exercise of stock options	-	-	-	1,309.04	(1,309.04)	-	-	-	-	-	-	-
Debentures converted into equity shares during the year	-	(147.12)	-	-	-	-	-	-	-	(147.12)	-	(147.12)
Issue of compulsory convertible debentures	-	511.16	-	-	-	-	-	-	-	511.16	-	511.16
Amount utilized for issue of shares	-	-	-	(29.38)	-	-	-	-	-	(29.38)	-	(29.38)
Share application money refundable at year end	-	-	(2.20)	-	-	-	-	-	-	(2.20)	-	(2.20)
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	(8.90)	-	-	-	(8.90)	8.90	-
Share-based payments	-	-	-	-	447.93	-	-	-	-	447.93	-	447.93
Equity component of compulsorily convertible debentures attributable to NCI	-	(511.16)	-	-	-	-	-	-	-	(511.16)	511.16	-
Debenture redemption reserve	-	-	-	-	-	(695.02)	695.02	-	-	-	-	-
At 31 March 2017	**3,383.62**	-	-	**50,711.06**	**536.13**	**(1,116.63)**	**1,065.34**	**113.98**	**(978.18)**	**53,715.32**	**3,126.32**	**56,841.64**
Profit for the year	-	-	-	-	-	300.43	-	-	-	300.43	219.55	519.98
Other comprehensive income (net of taxes)	-	-	-	-	-	(0.51)	-	-	707.35	706.84	65.55	772.39
Total Comprehensive Income	-	-	-	-	-	**299.92**	-	-	**707.35**	**1,007.27**	**285.10**	**1,292.36**
Share-based payments	-	-	-	-	491.87	-	-	-	-	491.87	-	491.87
Share application money received	-	-	16,092.51	-	-	-	-	-	-	16,092.51	-	16,092.51
Amount utilised on exercise of stock options	-	-	-	1.23	(1.23)	-	-	-	-	-	-	-
Equity shares issued during the year	387.96	-	(16,092.51)	15,704.55	-	-	-	-	-	-	2.42	2.42
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	(0.45)	-	-	-	(0.45)	0.45	-
Amount utilized for issue of shares	-	-	-	(40.59)	-	-	-	-	-	(40.59)	-	(40.59)
Debenture redemption reserve	-	-	-	-	-	(1,356.87)	1,356.87	-	-	-	-	-
At 31 March 2018	**3,771.58**	-	-	**66,376.25**	**1,026.77**	**(2,174.03)**	**2,422.21**	**113.98**	**(270.83)**	**71,265.93**	**3,414.30**	**74,680.23**

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 16 July 2018

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 16 July 2018

Arun Duggal
(Independent Director)
DIN- 00024262
Place: Gurugram
Date: 16 July 2018

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 16 July 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 16 July 2018

1 General information

ReNew Power Limited ('the Company') (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') is a public limited company domiciled in India. The Company was converted into a public company with effect from 17 April 2018 and consequently the name of the Company has changed from ReNew Power Private Limited to ReNew Power Limited.

The registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066. The Parent and its subsidiaries (hereinafter collectively referred to as 'the Group') are carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Consolidated Financial Statements of the Group were authorised for issue by the Group's Board of Directors on 16 July 2018.

2 Basis of preparation

The Consolidated Financial Statements are prepared in accordance with Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention issued thereunder and other accounting principles generally accepted in India.

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

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

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

3 Principles of consolidation

The Consolidated Financial Statements comprise the financial statements of the Group as at 31 March 2018. 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 arrangement 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.

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 the parent Company, i.e., year ended on 31st March 2018. 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 intragroup 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 fixed assets, 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- 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
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- 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.

Investments accounted for using the equity method.
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 unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

The Group's investments 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 individually.

The statement of profit and 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.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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 and loss.
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 as '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

4 Summary of Significant Accounting Policies

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.

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 Payments 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.

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 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 profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. 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, 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 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 recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) 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.

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

All other liabilities are classified as non-current.

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

c) Customer contracts

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

d) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the 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 in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 42 and 43)

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.

For assets and liabilities that are recognised in the 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.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as
· Disclosures for significant estimates and assumptions (Refer Note 54)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 42)
· Financial instruments (including those carried at amortised cost) (Refer Note 42 and 43)

e) Revenue recognition

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

Sale of Power

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

Income from Engineering Procurement and Construction ("EPC") Contracts
Revenue from provision of supply under EPC contracts is recognised when all significant risks and rewards of ownership of the EPC contract have been passed to the buyer.

Revenue from provision of service is recognized 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 recognized on percentage of completion method and losses are accounted as soon as these are anticipated. However, profit is not recognized unless there is reasonable progress on the contract. 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.

Liquidated damages / penalties are provided for based on management's assessment of the estimated liability as per contractual terms and / or acceptances. Possible liquidated damages which can be levied by customers for delay in execution of project are accounted for as and when they are levied by the customer.

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

Income from liquidated damages, compensation for loss of revenue and interest on advances
Income from liquidated damages, compensation for loss of revenue and interest on advance is recognised after certainty of receipt of the same is established.

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

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

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

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

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

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

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

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 other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

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

Deferred tax 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. 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 recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

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

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

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

When the 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 and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive:
Generation based incentive is recognized on the basis of supply of units generated by the 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".

Sale of Emission Reduction Certificates
Income from sale of Emission Reduction Certificates are recognised on actual sale due to uncertainty of market.

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 recognized over the period of useful life of underlying asset.

i) Property, plant and equipment

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

Subsequent Costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the 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 Special Purpose Interim Statement of Profit and Loss as and when incurred.

As permitted by Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has continued to apply paragraph 46A of AS 11. The Effects of changes in Foreign Exchange Rates under Indian GAAP.

Accordingly, the Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group do not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Special Purpose Interim Statement of Profit and Loss when the asset is derecognized.

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

j) Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

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

k) Depreciation/amortization of PPE
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

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

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

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

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

m) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

n) Leases

As a leasee

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

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

o) 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 period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

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

p) Share based payments

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

Equity-settled transactions

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

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the 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 recognized for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met. Where awards include a market or non-market condition, the transaction are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service condition are satisfied.

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

q) 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 recognize contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

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

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognized in the net interest on the defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.
Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The 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 year-end carried out using the projected unit cost method. Remeasurements comprising of actuarial gain and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. 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.

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 consolidated Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

r) 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 and Loss net of any reimbursement.

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

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

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

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

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

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

Debt instruments at fair value through other comprehensive income (FVTOCI)
A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

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

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

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

Equity investments
All other 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 recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- 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 companies under the Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the 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 on all the financial assets and credit risk exposure.

The Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the 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.

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

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

Financial liabilities

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

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

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

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

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

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

The 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.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

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

Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

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

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

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

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

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

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

t) Derivative financial instruments and hedge accounting

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged 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 the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

(i) 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 Special Purpose Interim Statement of Profit and Loss.

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

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

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

u) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchases. Cost is determind on weighted averages basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

v) Cash and cash-equivalents

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

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

w) Measurement of EBITDA

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

x) Events occurring after the Balance Sheet date

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

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

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

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

Basic 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 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 issue data later date. Dilutive potential equity shares are determined independently for each period presented.

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

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

aa) Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2018, notifying new accounting standard Ind AS 115, 'Revenue from Contracts with Customers' and certain amendments to existing standards. The new standard and amendments are applicable to the Group from 1 April 2018.

Ind AS 115 Revenue from Contracts with Customers

Revenue from contracts with Customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The Group is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated, thus impact is not known.

Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.
Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.
These amendments are effective for annual periods beginning on or after 1 April 2018. However, since the Group's current practice is in line with the amendment, the Group does not expect any effect on its consolidated financial statements.

Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.
Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:
(i) The beginning of the reporting period in which the entity first applies the Appendix, or
(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.
The Appendix is effective for annual periods beginning on or after 1 April 2018. The Group is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated, thus impact is not known.

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

(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 equipment	Capital work in progress
Cost									
At 1 April 2016	1,688.80	62,177.57	1.82	51.89	11.20	1.62	10.82	63,943.72	13,371.31
Additions during the year^	3,094.99	64,404.11	-	2.70	6.31	0.59	14.03	67,522.73	69,225.63
Acquisition of a subsidiary (refer note 52)	31.60	1,937.13	62.02	-	-	-	-	2,030.75	3,545.43
Capitalised during the year	-	-	-	-	-	-	-	-	(64,404.11)
Adjustments during the year*	-	(41.10)	-	-	-	-	-	(41.10)	(173.42)
Disposals during the year	-	(0.80)	-	-	(0.87)	-	(0.88)	(2.55)	(2,469.62)
At 31 March 2017	**4,815.39**	**128,476.91**	**63.84**	**54.59**	**16.64**	**2.21**	**23.97**	**133,453.55**	**19,095.22**
Additions during the year^	1,649.18	60,001.52	-	1.44	10.09	10.92	6.13	61,679.28	43,405.14
Acquisition of a subsidiary (refer note 52)	1,570.35	54,783.89	-	6.17	2.94	5.37	4.24	56,372.96	5,231.59
Adjustment*	51.22	(166.17)	-	(2.67)	-	-	-	(117.62)	(101.12)
Disposals**	(15.30)	(20.84)	-	(23.53)	(0.10)	-	(1.62)	(61.39)	(184.88)
Capitalised during the year	-	-	-	-	-	-	-	-	(60,001.52)
At 31 March 2018	**8,070.84**	**243,075.31**	**63.84**	**36.00**	**29.57**	**18.50**	**32.72**	**251,326.78**	**7,444.43**
Depreciation									
At 1 April 2016	-	2,065.53	0.55	3.81	2.38	0.23	3.02	2,075.52	-
Charge for the year (refer note 33)	-	3,779.46	7.78	6.10	3.70	0.20	5.53	3,802.76	-
Disposals during the year	-	-	-	-	(0.73)	-	(0.81)	(1.54)	-
At 31 March 2017	**-**	**5,844.99**	**8.33**	**9.91**	**5.35**	**0.43**	**7.74**	**5,876.75**	**-**
Charge for the year (refer note 33)	-	6,995.59	3.15	6.45	4.25	0.37	8.16	7,017.97	-
Disposals during the year	-	(0.33)	-	(7.78)	(0.03)	-	(1.85)	(9.99)	-
At 31 March 2018	**-**	**12,840.25**	**11.48**	**8.58**	**9.57**	**0.80**	**14.05**	**12,884.73**	**-**
Net book value									
At 31 March 2017	**4,815.39**	**122,631.92**	**55.51**	**44.68**	**11.29**	**1.78**	**16.23**	**127,576.80**	**19,095.22**
At 31 March 2018	**8,070.84**	**230,235.06**	**52.36**	**27.42**	**20.00**	**17.70**	**18.67**	**238,442.05**	**7,444.43**

#The title represented by sale deeds in respect of land amounting to INR 1,400.60 (31 March 2017 INR 515.13) is not yet in the name of the Group. Further, the title of land amounting to INR 1,344.09 (31 March 2017 INR 884.10) 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 & equipment:

Property, plant & equipment 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 and acceptances as disclosed in note 18 and note 22.

^ Capitalised borrowing costs

The amount of borrowing costs capitalised in Property, plant and equipment during the year was INR 504.58 (31 March 2017 INR 1076.23). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

***Adjustment to Property, Plant & Equipments during the year are as follows**

Freehold Land

Adjustment of INR 51.22 (31 March 2017: Nil) during the year pertains to actualisation of provisional capitalization.

Plant and equipment

Adjustment of INR 45.00 (31 March 2017: INR 20.46) pertains to revision of agreement and discount received from vendor.
Adjustment of INR 121.17 (31 March 2017: INR 20.77) pertains to actualisation of provisional capitalization of supply of goods and services and early closure of letter of credits.

Capital work in progress

Capital work in progress amounting to INR 82.78 (31 March 2017: INR 46.16) has been written off to the extent of non-viability of recovery of cost in future.
Adjustment of INR 14.24 (31 March 2017: INR 131.41) during the year pertains to actualisation of provisional capitalization.

**** Disposals in Capital Work in Progress includes following**

During the year, persuant to downsizing of the contract with vendor for Mandsaur project, Group has sold back project specific wind power plant related equipment lying in CWIP for INR 181 to the vendor.

(Amounts in INR millions, unless otherwise stated)

6 Intangible assets	Computer software	Customer Contracts	Development rights	Total Intangibles	Goodwill	Intangible asset under development
Cost						
At 1 April 2016	50.85	-	-	50.85	22.66	-
Additions during the year	22.69	-	-	22.69	-	-
Acquisition of a subsidiary (refer note 52)	-	1,099.22	36.00	1,135.22	270.06	
Capitalised during the year	-	-	-	-	-	-
At 31 March 2017	**73.54**	**1,099.22**	**36.00**	**1,208.76**	**292.72**	**-**
Additions during the year	40.59	-	-	40.59	10,660.15	7.67
Acquisition of a subsidiary (refer note 52)	0.65	24,097.90	-	24,098.55	-	1,416.00
Capitalised during the year	-	-	-	-	-	-
At 31 March 2018	**114.78**	**25,197.12**	**36.00**	**25,347.90**	**10,952.87**	**1,423.67**
Amortisation						
At 1 April 2016	9.00	-	-	9.00	-	-
Amortisation for the year (refer note 33)	11.54	13.43	0.01	24.98	-	-
At 31 March 2017	**20.54**	**13.43**	**0.01**	**33.98**	**-**	**-**
Amortisation for the year (refer note 33)	17.37	88.57	1.44	107.38	-	-
At 31 March 2018	**37.91**	**102.00**	**1.45**	**141.36**	**-**	**-**
Net book value						
At 31 March 2017	**53.00**	**1,085.79**	**35.99**	**1,174.78**	**292.72**	**-**
At 31 March 2018	**76.87**	**25,095.12**	**34.55**	**25,206.54**	**10,952.87**	**1,423.67**

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 and acceptances as disclosed in note 18 and note 22.

Impairment of Goodwill:
The Company acquired Ostro Energy Private Limited and KCT Renewable Energy Private Limited in FY 2017-18. The exercise of measurement of identifiable assets acquired, liabilities assumed and resultant goodwill has been completed. However, given that the acquisition happened close to the reporting date and measurement of identifiable assets acquired, liabilities assumed and resultant goodwill got completed near the date of finalization of accounts, the allocation of the goodwill to a Cash Generating Unit (CGU) or to group of CGU's could not be completed. Therefore, the goodwill has been left unallocated as at the reporting date.
There are no indicators for the impairment of goodwill on overall level and accordingly, the disclosure required by Ind AS 36 paragraph 96 has not been given.

(Amounts in INR millions, unless otherwise stated)

7 Investment in jointly controlled entities	As at 31 March 2018	As at 31 March 2017
Investment in unquoted equity shares of entities under joint control at equity method (Refer note 51)		
8,958,150 (31 March 2017: Nil) equity shares of INR10 each fully paid-up in Prathamesh Solarfarms Limited	492.00	-
2,285,850 (31 March 2017: Nil) equity shares of INR10 each fully paid-up Aalok Solarfarms Limited	88.78	-
4,571,700 (31 March 2017: Nil) equity shares of INR10 each fully paid-up in Heramba Renewables Limited	161.48	-
2,285,850 (31 March 2017: Nil) equity shares of INR10 each fully paid-up in Abha Solarfarms Limited	88.32	-
4,571,700 (31 March 2017: Nil) equity shares of INR10 each fully paid-up in Shreyas Solarfarms Limited	170.32	-
Total	**1,000.90**	**-**

8 Financial assets	As at 31 March 2018	As at 31 March 2017
Non current financial assets		
Investment in unquoted compulsorily convertible debentures of entities under joint control at fair value through Profit and Loss		
2,349,550 (31 March 2017: Nil) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Prathamesh Solarfarms Limited	234.96	-
679,875 (31 March 2017: Nil) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Abha Solarfarms Limited	67.99	-
1,359,750 (31 March 2017: Nil) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Heramba Renewables Limited	135.98	-
679,875 (31 March 2017: Nil) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Aalok Solarfarms Limited	67.99	-
1,359,570 (31 March 2017: Nil) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Shreyas Solarfarms Limited	135.96	-
Total	**642.88**	**-**
Loans		
Security deposits	61.80	21.87
Total	**61.80**	**21.87**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 15)	2,532.89	30.73
Total	**2,532.89**	**30.73**
Current financial assets		
Financial assets at fair value through Profit and Loss		
Investments		
Quoted mutual funds:		
L&T Liquid Fund- Growth - 236,090 units (31 March 2017 : 621 units)	562.57	1.68
DHFL Pramerica Low Duration Fund - 209,009 units (31 March 2017 : 209,009 units)	4.96	4.50
Aditya Birla Sun Life Cash Plus - Growth Direct Plan - 10,839,072 units (31 March 2017 : Nil units)	3,027.51	-
HDFC Liquid fund - Direct Plan - Growth Option - 253,943 units (31 March 2017 : Nil units)	868.96	-
ICICI Prudential Liquid - Direct Plan - Growth Fund - 5,912,432 units (31 March 2017 : Nil units)	1,519.56	-
SBI Dynamic Bond Fund - Regular Plan - Growth - 3,140,283 units (31 March 2017 : Nil units)	87.71	-
Tata Money market fund - Growth - Direct plan - 81,736 units (31 March 2017: Nil units)	223.82	-
Reliance liquid fund - Growth - Treasury plan - 92,941 units (31 March 2017: Nil units)	394.07	-
Reliance money manager fund - Growth - Direct plan - 23,896 units (31 March 2017: Nil units)	58.27	-
Birla Sun life Cash Manager fund - Growth - Direct plan - 378,315 units (31 March 2017: Nil units)	108.24	-
Franklin India treasury fund - Growth - Direct plan - 115,600 units (31 March 2017: Nil units)	300.27	-
UTI money market fund - Growth - Direct plan - 154,101 units (31 March 2017: Nil units)	300.46	-
Axis treasury advantage fund - Growth - Direct plan - 9,185 units (31 March 2017: Nil units)	18.06	-
Axis liquid fund - Growth - Direct plan - 134,996 units (31 March 2017: Nil units)	371.41	-
Kotak floater short term fund - Growth - Direct plan - 81,716 units (31 March 2017: Nil units;)	233.05	-
SBI Magnum insta cash fund - Growth - Direct plan - 78,193 units (31 March 2017: Nil units)	300.51	-
LIC Liquid Fund - Growth - Direct plan - 84,025 units (31 March 2017: Nil units)	264.81	-
IDFC Ultra Short Term Fund - Growth - Direct Plan - 4,278,820 units (31 March 2017: Nil units)	106.10	-
IDFC Cash Fund - Growth - Direct Plan - 135,451 units (31 March 2017: Nil units)	285.83	-
DSP Blackrock Liquidity fund - Direct Plan Growth - 93,354 units (31 March 2017: Nil units)	232.01	-
Total	**9,268.18**	**6.18**
Aggregate book value of quoted investments	9,268.18	6.18
Aggregate market value of quoted investments	9,268.18	6.18
Loans		
Security Deposits	34.28	0.12
Total	**34.28**	**0.12**

(Amounts in INR millions, unless otherwise stated)

Others		
Advances recoverable in cash	585.51	-
Unbilled revenue	2,950.05	1,883.23
Government grant receivable		
- viability gap funding	311.92	-
- Generation based incentive receivable*	628.36	546.51
Insurance claim receivable	-	7.24
Interest accrued on fixed deposits	248.29	104.96
Others	30.96	-
Total	**4,755.09**	**2,541.94**

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

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

Investments at fair value through profit & loss reflects investment in quoted mutual funds. Refer note 42 for determination of fair value.

9A Deferred tax

Deferred tax assets (net)		**As at 31 March 2018**	**As at 31 March 2017**
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Re-measurement losses on defined benefit plans		2.89	1.99
Loss on mark to market of derivative instruments		60.78	399.25
	(a)	**63.67**	**401.24**
Deferred tax liabilities (gross)			
Loss on mark to market of derivative instruments		13.85	-
	(b)	**13.85**	-
	(c) = (a)-(b)	**49.82**	**401.24**
Deferred tax related to items recognised in equity:			
Deferred tax assets (gross)			
Compound Financial Instruments		131.45	131.45
	(d)	**131.45**	**131.45**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		8,077.73	545.73
Unamortized ancillary borrowing cost		138.44	7.34
Change in fair value of investments		13.60	-
	(e)	**8,229.77**	**553.07**
Deferred tax assets (gross)			
Losses available for offsetting against future taxable income		8,394.92	906.59
Unused tax credit (MAT)		805.49	376.62
Compound Financial Instruments		26.28	15.24
Operation and maintenance equalisation		314.23	43.47
Lease Equalisation Reserve		11.01	-
Provision for Gratuity		8.82	-
Provision for Leave Encashment		10.35	-
Others		0.55	20.67
	(f)	9,571.65	**1,362.59**
	(g) = (f)-(e)	**1,341.88**	**809.52**
Deferred tax assets (net)	**(c)+(d)+(g)**	**1,523.16**	**1,342.21**

9B Deferred tax liabilities (net)

Deferred tax relates to the following:			
Deferred tax related to items recognised in OCI:			
Deferred tax liabilities (gross)			
Loss on mark to market of derivative instruments		6.94	-
	(h)	**6.94**	-
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		52.88	64.36
	(i)	**52.88**	**64.36**
	(j) = (h)-(i)	**(45.93)**	**(64.36)**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		10,996.72	732.72
Unamortised ancillary borrowing cost		66.81	3.49
Change in fair value of investments		175.52	20.13
	(k)	**11,239.05**	**756.34**
Deferred tax assets (gross)			
Operation and maintenance		106.44	12.01
Unused tax credit (MAT)		437.89	266.00
Preliminary expenses not written off under tax laws		1.08	-
Losses available for offsetting against future taxable income		4,739.19	31.18
Others		0.75	23.28
	(l)	5,285.35	**332.47**
	(m) = (k) - (l)	**5,953.70**	**423.87**
Deferred tax liabilities (net)	**(j) + (m)**	**5,907.76**	**359.51**

(Amounts in INR millions, unless otherwise stated)

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

	31 March 2018	31 March 2017
Accounting profit before income tax	**840.71**	**1,017.67**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	533.34	444.32
Deferred tax expense reported in the statement of profit and loss*	(162.79)	67.73
Income Chargeable to Tax:		
Increase/(Decrease) in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	(57.58)	(5.05)
Disallowance u/s 94B	196.13	-
Interest income on fixed deposit with banks	-	2.87
Income not chargeable to tax:		
Deduction u/s 80IA	(6.28)	-
Others	(2.34)	(0.88)
Non-deductible expenses for tax purposes:		
Depreciation and amortization expense (net)	(82.51)	0.03
Operating and maintenance expenses equalized	14.83	-
Interest on compound financial instrument	(6.84)	-
Acquisition related Cost	74.30	-
Other non deductible expenses	(1.57)	7.29
Deductible expenses for tax purposes:		
Brought forward losses / unabsorbed depreciation	(101.77)	(8.00)
At the effective income tax rate	**396.92**	**508.31**
Current tax expense reported in the statement of profit and loss	559.71	440.58
Deferred tax expense reported in the statement of profit and loss	(162.79)	67.73
	396.92	**508.31**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	(11,021.67)	(139.03)
Operation and maintenance	(208.10)	(1.91)
Unused tax credit (MAT)	(391.36)	(638.11)
Difference in WDV as per books of accounts and tax laws	11,406.80	834.88
Compound Financial Instruments	(11.29)	(11.65)
Amortisation of ancilliary borrowing cost	64.33	-
Lease Equalisation Reserve	(11.01)	-
Others	9.51	23.55
	(162.79)	**67.73**

Reconciliation of deferred tax assets (net):

	31 March 2018	31 March 2017
Opening balance of DTA/DTL (net)	**983.09**	**579.50**
Deferred tax income/(expense) during the year recognised in profit or loss	162.79	(67.73)
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	115.53
Deferred tax income/(expense) during the year due to business combination	(5,159.32)	(53.60)
Deferred tax income/(expense) during the year recognised in OCI	(371.16)	409.39
Closing balance of DTA/DTL (net)	**(4,384.60)**	**983.09**

The Group has unabsorbed depreciation which arose in India of INR 59,936.25 (31 March 2017: INR 10,707.00). The unabsorbed depreciation will be available for offsetting against future taxable profits of the Group.

Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are 5,921.69 (31 March 2017: 566.00). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 54,014.56 (31 March 2017: INR 10,141.00).

The Group has recognised deferred tax asset of INR 13,095.88 (31 March 2017: INR 938.07) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

The expiry period of MAT credit is 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 period

10 Prepayments	As at 31 March 2018	As at 31 March 2017
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	1,720.31	769.59
Total	**1,720.31**	**769.59**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	492.34	210.29
	492.34	**210.29**

(Amounts in INR millions, unless otherwise stated)

11 Other assets	**As at 31 March 2018**	**As at 31 March 2017**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	5,285.40	8,351.97
Advances recoverable	166.96	252.37
Advance income tax (net of income tax provisions)	1,499.49	769.53
Security deposits	28.58	34.41
Deferred rent	24.96	8.19
VAT recoverable	69.92	154.25
Balances with Government authorities	10.21	-
Total	**7,085.52**	**9,570.72**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	1,621.83	2,084.82
Deferred rent	6.78	1.87
Balances with Government authorities	337.94	44.03
Others	49.09	0.40
Total	**2,015.64**	**2,131.12**

12 Inventories (At lower of cost and net realizable value)	**As at 31 March 2018**	**As at 31 March 2017**
Consumables & Spares	153.43	13.64
Total	**153.43**	**13.64**

13 Derivative instruments	**As at 31 March 2018**	**As at 31 March 2017**
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	74.82	-
Total	**74.82**	**-**

14 Trade receivables	**As at 31 March 2018**	**As at 31 March 2017**
Unsecured, considered good unless stated otherwise	6,700.97	4,840.72
Doubtful	5.53	-
	6,706.50	**4,840.72**
Less: Provision for doubtful debts	(5.53)	-
Total	**6,700.97**	**4,840.72**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

15 Cash and cash equivalents	**As at 31 March 2018**	**As at 31 March 2017**
Cash and cash equivalents		
Cash and cheque on hand	0.16	0.02
Cheque on hand	-	0.20
Balance with bank		
- On current accounts	5,199.76	8,169.97
- Deposits with original maturity of less than 3 months #	8,713.98	18,968.81
	13,913.90	**27,139.00**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	10,322.33	4,507.46
- Remaining maturity for more than twelve months #	2,532.89	30.73
	12,855.22	**4,538.19**
Less: amount disclosed under financial assets (others) (Note 8)	(2,532.89)	(30.73)
Total	**10,322.33**	**4,507.46**

Fixed deposits of INR 6,202.56 (31 March 2017: INR 1,192.95) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and fixed deposit of INR 192.83 (31 March 2017: INR 3,032.00) has been given to banks as margin money for the purpose of letter of credit/bank guarantee.

The bank deposits have an original maturity period of 7 days to 5,390 days and carry an interest rate of 3.50% - 13.24% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

16 Share capital

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2016	300,000,000	3,000.00
Increase during the year	70,000,000	700.00
At 31 March 2017	370,000,000	3,700.00
Increase during the year	30,000,000	300.00
At 31 March 2018	**400,000,000**	**4,000.00**

Issued share capital	Number of shares	Amount
16A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2016	263,738,098	2,608.45
Shares issued during the year*	74,623,574	775.17
At 31 March 2017	338,361,672	3,383.62
Shares issued during the year	38,796,184	387.96
At 31 March 2018	**377,157,856**	**3,771.58**

* includes INR 28.63 million for equity shares issued during FY 2016-17, against full & final call of INR 7.5 per share.

	Fully paid up shares		Partly paid up shares	
	Number of shares	Amount	Number of shares	Amount
As at 1 April 2016	259,921,304	2,599.21	3,816,794	9.54
As at 31 March 2017	338,361,672	3,383.62	-	-
As at 31 March 2018	377,157,856	3,771.58	-	-

Terms/rights attached to equity shares

The Company have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the Company will declare and pay dividends in Indian rupees.
In the event of liquidation of a Company, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective Company.

16B Equity component of compulsory convertible debentures (CCD)	Number of debentures	Total proceeds	Liability component (refer note 18)	Equity component*
At 1 April 2016	**20,367,757**	**825.81**	**128.57**	**147.12**
Debentures issued during the year	7,749,530	813.40	415.48	511.16
Debentures converter into equity shares	(14,712,000)	(147.12)	-	(147.12)
Accretion during the year	-	-	42.66	-
Attributable to Non controlling interests	-	-	-	(511.16)
At 31 March 2017	**13,405,287**	**1,492.09**	**586.71**	**-**
Accretion during the year	-	-	69.25	-
Payment during the year	-	-	(18.34)	-
At 31 March 2018	**13,405,287**	**1,492.09**	**637.62**	**-**

* Adjusted for deferred tax at inception.

Terms of conversion of CCDs

ReNew Power Limited

Compulsory Convertible Debentures (CCD) are redeemable by compulsory conversion into equity shares based on the service condition which is dependent on the number of months for which the debenture holder is in service at the Company from September 22, 2011 on a pro-rata basis upto maximum of 60 months. Further the conversion is also dependent on performance condition which is based on the enterprise value of the capital contributed. The conversion would happen at earliest of the following three events:

- the end of ten years from the date of issue, viz., September 23, 2011,
- filing of prospectus by the Company with the Registerar of Companies or
- on the decision of the Holding Company 'GS Wyvern Holding Ltd.'.

These CCD carry a non - cumulative interest coupon rate of 0.001% per annum on its face value. These CCD's do not have any voting right and are not entitled to any dividend on the underlying shares as long as they are not converted into equity shares. These CCD have been converted into 8,853,353 shares during financial year end 31 March 2017. Closing balance as on 31 March 2018 is INR Nil (31 March 2017 : INR 147.02).

ReNew Solar Energy (Karnataka) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2018 is INR 178.70 (31 March 2017: INR 178.70)

ReNew Akshay Urja Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., June 17, 2035 or in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 0.01% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2018 is INR 499.99 (31 March 2017: INR 499.99)

(Amounts in INR millions, unless otherwise stated)

ReNew Solar Energy (Telangana) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2018 is INR 619.88 (31 March 2017: INR 619.88)

ReNew Mega Solar Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2018 is INR 193.52 (31 March 2017: INR 193.52)

16C Shares held by the holding company and/or their subsidiaries/associates

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
GS Wyvern Holding Ltd, the holding company (upto 22 March 2018)	-	-	184,709,600	1,847.10

No shares are held by any subsidiary or associate of the holding company.

16D Details of shareholders holding more than 5% shares in the Company

	31 March 2018		31 March 2017	
	Number	% Holding	Number	% Holding
GS Wyvern Holding Ltd	184,709,600	48.97%	184,709,600	54.59%
Canada Pension Plan Investment Board	61,608,099	16.33%	-	-
Green Rock B 2014 Limited (formerly known as Green Rock A 2014 Limited)	60,487,804	16.04%	60,487,804	17.88%
JERA Power RN B.V.	34,411,682	9.12%	34,411,682	10.17%
Asian Development Bank	-	-	22,837,015	6.75%

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

16E 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.

17 Other equity

17.1 Share application money pending allotment

At 1 April 2016	**-**
Share application money received during the year	18,817.34
Equity shares issued during the year	(18,815.14)
	2.20
Less: amount disclosed under 'other current financial liabilities' (refer note 25)	(2.20)
At 31 March 2017	-
Share application money received during the year	16,092.51
Equity shares issued during the year	(16,092.51)
At 31 March 2018	**-**

17.2 Share premium

At 1 April 2016	**31,243.67**
Premium on issue of equity shares during the year	18,187.73
Amount transferred from share based payment reserve on conversion	1,309.04
Amount utilized against for issue of equity shares	(29.38)
At 31 March 2017	**50,711.06**
Premium on issue of equity shares during the year	15,704.55
Amount transferred from share based payment reserve on conversion	1.23
Amount utilized against for issue of equity shares	(40.59)
At 31 March 2018	**66,376.25**

17.3 Capital reserve

At 1 April 2016	**-**
Additions during the year	113.98
At 31 March 2017	**113.98**
Additions during the year	-
At 31 March 2018	**113.98**

17.4 Debenture redemption reserve

At 1 April 2016	**370.32**
Amount transferred from surplus balance in retained earnings	695.02
At 31 March 2017	**1,065.34**
Amount transferred from surplus balance in retained earnings*	1,356.87
At 31 March 2018	**2,422.21**

*Due to insufficient profit during the current year, DRR has been created only to the extent of current year's available profit. Resultantly, there is a overall shortfall as at 31 March 2018 INR 240.51 and 31 March 2017 INR 60.00.

(Amounts in INR millions, unless otherwise stated)

17.5	**Hedging Reserve**	
	At 1 April 2016	**(130.86)**
	Losses arising during the year on CCIRS	(902.85)
	Attributable to Non-controlling interests	55.53
	At 31 March 2017	**(978.18)**
	Gain arising during the year on CCIRS	772.90
	Attributable to Non-controlling interests	(65.55)
	At 31 March 2018	**(270.83)**

17.6	**Share based payment reserve**	
	At 1 April 2016	**1,397.24**
	Expense for the year	447.93
	Amount utilised on exercise of stock options	(1,309.04)
	At 31 March 2017	**536.13**
	Expense for the year	491.87
	Amount utilised on exercise of stock options	(1.23)
	At 31 March 2018	**1,026.77**

17.7	**Retained earnings**	
	At 1 April 2016	**(747.61)**
	Profit for the year	338.24
	Re-measurement losses on defined benefit plans (net of tax)	(3.34)
	Adjustments for acquisition of interest by NCI in subsidiaries	(8.90)
	Appropriation for debenture redemption reserve	(695.02)
	At 31 March 2017	**(1,116.63)**
	Profit for the year	300.43
	Re-measurement losses on defined benefit plans (net of tax)	(0.51)
	Adjustments for acquisition of interest by NCI in subsidiaries	(0.45)
	Appropriation for debenture redemption reserve	(1,356.87)
	At 31 March 2018	**(2,174.03)**

(Amounts in INR millions, unless otherwise stated)

18 Long-term borrowings	Nominal interest rate %	Maturity	Non-current 31 March 2018	Non-current 31 March 2017	Current 31 March 2018	Current 31 March 2017
Debentures						
- Non Convertible Debentures (secured)	8.55% - 13.01%	September 2034	62,126.67	20,797.04	1,058.94	152.74
- Compulsory Convertible Debentures (unsecured)	0.01% - 11.53%	September 2036	637.62	587.01	-	-
Term loan from bank (secured)	8.35% - 11.70%	September 2037	44,360.99	15,680.88	1,152.95	412.13
Term loan from financial institutions (secured)	8.87% - 12.75%	January 2040	61,944.46	18,537.39	2,075.68	1,179.81
Buyer's / Supplier's credit (secured)	2.02% -7.85%	December 2019	8,451.53	15,692.50	5,509.19	-
Bonds (Secured)	10.63%	February 2022	31,765.60	31,151.05	-	-
Total long-term borrowings			**209,286.87**	**102,445.87**	**9,796.76**	**1,744.68**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 25)			-	-	(9,796.76)	(1,744.68)
Net long-term borrowings			**209,286.87**	**102,445.87**	-	-

Notes:
Details of Security

Non convertible debentures (secured)
The debentures are secured by way of first pari passu charge on the 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.

Bonds (secured)
Senior Secured Bonds 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.

Term loan in Indian rupees 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 all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

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

Buyer's/ Supplier's credit (secured)
Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Compulsorily convertible debentures (unsecured)
Compulsory 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.

(Amounts in INR millions, unless otherwise stated)

19 Deferred government grant	**As at 31 March 2018**	**As at 31 March 2017**
Received	311.02	12.11
Released to the statement of profit and loss	(11.53)	(0.32)
Total	**299.49**	**11.79**
Current	12.46	0.09
Non-current	287.03	11.70

20 Long-Term Provisions	**As at 31 March 2018**	**As at 31 March 2017**
Provision for gratuity (net of planned assets) (refer note 36)	46.54	24.68
Total	**46.54**	**24.68**

21 Other non-current liabilities	**As at 31 March 2018**	**As at 31 March 2017**
Operation and maintenance equalisation reserve	2,268.58	967.88
Others	5.11	-
Total	**2,273.69**	**967.88**

22 Short term borrowings	**As at 31 March 2018**	**As at 31 March 2017**
Working capital term loan (secured)	2,980.00	-
Acceptances (secured)	7,294.30	13,134.95
Commercial papers (unsecured)	5,164.96	-
Loan from body corporate (unsecured)	82.98	97.42
Buyer's / Supplier's credit (secured)	3,842.95	3,343.46
Total	**19,365.19**	**16,575.83**

Working capital term loan (secured)
The term loan from bank carries interest @ 9.00% to 9.70% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 180 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.

Acceptances (secured)
Acceptances are secured by parri 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 7.30% to 8.85%.

Buyer's/Supplier's credit (secured)

Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Commercial papers (unsecured)
Secured Commercial papers are issued at a discount rate on commercial paper of 7.45% - 8.11% per annum.

Loan from body corporates (unsecured)
Unsecured loan from body corporate of INR 82.98 (31 March 2017 : INR 97.42), no interest is payable on the loan and shall be repaid as per the terms of respective share purchase agreements.

(Amounts in INR millions, unless otherwise stated)

23 Trade payables

	As at 31 March 2018	As at 31 March 2017
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 47)	-	-
Others	2,734.82	2,396.20
Total	**2,734.82**	**2,396.20**

24 Derivative instruments

	As at 31 March 2018	As at 31 March 2017
Financial liabilities at fair value through OCI (current)		
Cash flow hedges		
Derivative instruments	931.43	2,243.60
Total	**931.43**	**2,243.60**

25 Other current financial liabilities

	As at 31 March 2018	As at 31 March 2017
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 18)	9,796.76	1,744.68
Others		
Interest accrued but not due on borrowings	1,080.39	910.00
Interest accrued and due on borrowings	-	15.85
Interest accrued but not due on debentures	439.97	217.97
Capital creditors	15,615.87	15,226.55
Purchase consideration payable	1,877.09	162.38
Share application money received and due for refund (refer note 17.1)	-	2.20
Total	**28,810.08**	**18,279.63**

26 Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Advance from customers	0.61	0.73
Operation and maintenance equalisation reserve	170.84	92.54
Other payables		
TDS payable	824.59	764.88
Service tax payable	-	116.37
WCT payable	0.32	22.33
VAT payable	-	35.40
GST payable	215.26	-
Labour welfare fund payable	0.05	0.00
Provident fund payable	8.90	7.00
Total	**1,220.57**	**1,039.25**

27 Short term provisions

	As at 31 March 2018	As at 31 March 2017
Provision for gratuity (net of planned assets) (refer note 36)	6.58	0.89
Provision for leave encashment	59.52	28.69
Provision for income tax (net of advance income tax)	145.23	49.65
Total	**211.33**	**79.23**

(Amounts in INR millions, unless otherwise stated)

28 Revenue from operations	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Income from operation		
Sale of power	23,907.71	12,997.13
Sale from engineering, procurement and construction service	553.61	3.70
Income from sale of renewable energy certificates	155.61	72.13
Total	**24,616.93**	**13,072.96**

29 Other income	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Interest income		
- on fixed deposit with banks	1,018.74	919.01
- income tax refund	10.17	-
- others	123.38	108.30
Government grant		
- generation based incentive	1,270.87	782.72
- viability gap funding	24.85	-
Compensation for loss of revenue (refer note 49)	337.74	407.01
Profit on sale of investments	-	9.64
Insurance claim	30.82	145.16
Foreign exchange gain (net)	-	42.66
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	-	9.95
Profit on sale of mutual fund	278.21	-
Early commissioning incentive	20.34	-
Miscellaneous income	62.65	9.88
Total	**3,177.77**	**2,434.33**

30 Cost of raw material and components consumed	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Cost of raw material and components consumed	522.15	3.94
Total	**522.15**	**3.94**

31 Employee benefits expense	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Salaries, wages and bonus	454.98	299.04
Contribution to provident and other funds	24.28	15.42
Share based payments (refer note 38)	271.60	184.82
Gratuity expense (refer note 36)	10.16	0.77
Staff Welfare Expenses	34.78	12.41
Total	**795.80**	**512.46**

32 Other expenses	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Legal and professional fees	703.15	372.81
Corporate social responsibility (refer note 48)	48.85	22.74
Travelling and conveyance	166.79	81.97
Rent	95.40	28.04
Director's commission	9.85	3.21
Printing and stationery	2.20	0.99
Rates and taxes	207.99	67.92
Payment to auditors *	30.71	43.93
Insurance	119.23	78.56
Operation and maintenance	1,599.74	967.74
Repair and maintenance		
- others	16.51	13.82
Loss on sale of property plant & equipment (net)	14.07	1.67
Advertising and sales promotion	47.08	8.25
Capital work in progress written off	39.22	67.72
Security charges	123.18	42.85
Communication costs	26.74	7.24
Bidding Expenses	33.97	8.40
Foreign exchange loss (net)	13.63	-
Loss on ineffective portion on hedges (net)	29.30	-
Provision for doubtful debts	5.53	-
Miscellaneous expenses	77.05	69.14
Total	**3,410.19**	**1,887.00**

(Amounts in INR millions, unless otherwise stated)

*Payment to Auditors	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor:		
Audit fee	22.97	17.07
In other capacity:		
Certification fees	1.89	1.40
Other services	32.08	21.96
Reimbursement of expenses	4.82	3.50
	61.76	43.93
Less: IPO expenses transferred to other current assets	(31.05)	-
	30.71	**43.93**

33 Depreciation and amortization expense	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant & equipment (refer note 5)	7,017.97	3,802.76
Amortisation of intangible assets (refer note 6)	107.38	25.05
Total	**7,125.35**	**3,827.81**

34 Finance costs	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense on		
- term loans	5,022.56	4,045.80
- bonds	4,220.65	481.25
- acceptance	467.26	652.69
- buyer's/supplier's credit	1,019.20	448.01
- on working capital demand loan	48.89	121.70
- debentures	3,531.31	1,862.27
- liability component of compulsorily convertible debentures	60.26	22.27
- commercial papers	42.86	-
- others	4.65	5.87
Amortization of Option premium	-	15.68
Bank charges	401.75	173.61
Unamortised ancillary borrowing cost written off*	281.11	429.26
Total	**15,100.50**	**8,258.41**

* Represents carried forward unamortised cost pertaining to existing loan charged to statement of profit & loss on account of refinancing.

35 Earnings per share (EPS)	For the year ended 31 March 2018	For the year ended 31 March 2017
The following reflects the profit and share data used for the basic and diluted EPS computations:		
Profit attributable to equity holders for basic earnings	300.43	338.24
	300.43	338.24
Net profit for calculation of basic EPS	300.43	338.24
Weighted average number of equity shares for calculating basic EPS	339,327,176	281,984,176
Basic earnings per share	0.89	1.20
Net profit for calculation of diluted EPS	300.43	338.24
Weighted average number of equity shares for calculating diluted EPS	346,071,290	300,493,604
Diluted earnings per share	0.87	1.13

	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	339,327,176	281,984,176
Effect of dilution		
Convertible equity for compulsory convertible debentures (CCD)	-	7,806,127
Convertible equity for employee stock option plan	6,744,114	10,703,301
Weighted average number of equity shares in calculating diluted EPS	346,071,290	300,493,604

(Amounts in INR millions, unless otherwise stated)

36 Gratuity and other post-employment benefit plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The 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 summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss

Net employees benefit expense recognised in employee cost	**31 March 2018**	**31 March 2017**
Current service cost	21.25	6.30
Interest cost on benefit obligation	1.86	1.49
Net benefit expense*	**23.11**	**7.79**

Balance Sheet

Benefit liability	**31 March 2018**	**31 March 2017**
Present value of unfunded obligation	53.12	25.57
Net liability	53.12	25.57

	31 March 2018	**31 March 2017**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	25.57	12.80
Current service cost	21.25	6.30
Interest cost	1.86	0.98
Benefits paid	(0.68)	-
Remeasurements during the year due to:		
- Experience adjustments	2.22	4.09
- Change in financial assumptions	(2.11)	1.40
Liabilities net of planned assets assumed under business combination	5.01	-
Closing defined benefit obligation	53.12	25.57

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.

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

The principal assumptions used in determining gratuity obligations	**31 March 2018**	**31 March 2017**
Discount rate	7.75%	7.40%
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:

Particulars	**Change in assumptions**	**31 March 2018**	**31 March 2017**
Discount rate	+ 0.5%	45.24	24.06
	- 0.5%	51.18	27.23
Salary escalation	+ 0.5%	50.34	26.64
	- 0.5%	45.90	24.52

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

Gratuity amounts for current year and previous years	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
Defined benefit obligation	(53.12)	25.57	12.80	6.95	3.59
Surplus/(Deficit)	53.12	(25.57)	(12.80)	(6.95)	(3.59)
Experience adjustment on plan (gain)/loss	3.22	(4.00)	(0.33)	(0.66)	0.53

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	**31 March 2018**	**31 March 2017**
Within next 12 months	1.61	0.89
Between 2 and 5 years	14.21	6.51
Between 5 and 10 years	33.98	8.49
Beyond 10 years	127.59	63.81

The weighted average duration to the payment of these cash flows is 10.90 years (31 March 2017: 12.39 years).

(Amounts in INR millions, unless otherwise stated)

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:

· 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.

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

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

Defined contribution plan:	**31 March 2018**	**31 March 2017**
Contribution to provident fund & other fund charged to statement of profit & loss*	52.14	36.87

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

37 Operating lease commitments
The Group has entered into commercial property lease for its offices. The lease have non-cancellable commitment period which has remaining term of 5 years. The Company has the option, under some of its leases, to lease the assets for additional terms of upto three years.

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

Particulars	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Within one year	110.02	44.68
After one year but not more than five years	441.48	29.56

38 Share Based Payment

The Group has four share-based payment schemes for its employees:

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	Group Stock Option Plans
Grant Date	Multiple
Vesting period	**2017 Stock Option Plan** **Time linked vesting:** i) 50 % of grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options ii) Remaining 50% will vest at the end of 5 years from the date of grant. **2016 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **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 threshold EBIDTA achieved by the Company for the last completed financial year. **2014 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **2011 Stock Option Plan** **Time linked vesting:** 5 years from the grant date
Exercise period	Within 10 years from date of grant upon vesting
Exercise price	Rs. 100 to Rs 340
Settlement type	Equity settled

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

Particulars	No of options (in Million)	
	2017-18	2016-17
Outstanding at the beginning of the year	11.17	16.71
Granted during the year*	10.13	5.33
Forfeited during the year	0.10	0.02
Repurchase during the year	0.04	-
Exercised during the year	0.03	10.84
Outstanding at the end of the year	21.14	11.17
Exercisable at the end of the year	17.53	4.26

- The weighted average exercise price of these options outstanding was INR 246.00 as on 31 March 2018 (31 March 2017: INR 159.98).
- The weighted average exercise price of these options granted during the year was INR 340.00 (31 March 2017: INR 205.00)
- The weighted average exercise price of these options exercised during the year was INR 100.00 (31 March 2017 128.18).
- The weighted average exercise price of these options forfeited/repurchased during the year was INR 226.00 (31 March 2017 129.00).

Particulars	2017-18*	2016-2017
Dividend yield (%)	1.5%	2%
Expected volatility (%)	15%	34%
Risk–free interest rate (%)	6.64% - 6.96%	6.9% - 8.53%
Weighted average remaining contractual life	7.85 years	6.87 years

* Based on category I merchant banker report.

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

(Amounts in INR millions, unless otherwise stated)

39 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Sl.No	Name of Companies	Holding Company	Date of incorporation	Date of acquisition	31 March 2018	31 March 2017
1.	ReNew Wind Energy (AP 3) Private Limited	ReNew Power Limited	7 June 2013	Not Applicable	100.00%	100%
2.	ReNew Solar Power Private Limited	ReNew Power Limited	5 June 2012	Not Applicable	100.00%	100%
3.	ReNew Wind Energy (MP) Private Limited	ReNew Power Limited	26 September 2012	Not Applicable	100.00%	100%
4.	ReNew Wind Energy (Varekarwadi) Private Limited	ReNew Power Limited	16 September 2011	Not Applicable	100.00%	100%
5.	ReNew Wind Energy Delhi Private Limited	ReNew Power Limited	8 March 2011	Not Applicable	100.00%	100%
6.	ReNew Wind Energy (Jamb) Private Limited	ReNew Power Limited	25 September 2012	Not Applicable	100.00%	100%
7.	ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited	25 May 2012	Not Applicable	100.00%	100%
8.	ReNew Wind Energy (AP) Private Limited	ReNew Power Limited	25 September 2012	Not Applicable	67.54%	68.11%
9.	Narmada Wind Energy Private Limited	ReNew Power Limited	11 February 2008	Not Applicable	100.00%	100%
10.	ReNew Wind Energy (Sipla) Private Limited	ReNew Power Limited	21 May 2012	Not Applicable	100.00%	100%
11.	ReNew Solar Energy (Jharkhand One) Private Limited	ReNew Solar Power Private Limited	9 June 2016	Not Applicable	100.00%	100%
12.	ReNew Solar Energy (Jharkhand Three) Private Limited	ReNew Solar Power Private Limited	14 June 2016	Not Applicable	100.00%	100%
13.	ReNew Solar Energy (Jharkhand Four) Private Limited	ReNew Solar Power Private Limited	13 June 2016	Not Applicable	100.00%	100%
14.	ReNew Solar Energy (Jharkhand Five) Private Limited	ReNew Solar Power Private Limited	9 June 2016	Not Applicable	100.00%	100%
15.	ReNew Wind Energy (Karnataka Two) Private Limited	ReNew Power Limited	5 April 2013	Not Applicable	100.00%	100%
16.	Abaha Wind Energy Developers Private Limited	ReNew Power Limited	16 May 2013	Not Applicable	100.00%	100%
17.	ReNew Solar Energy Private Limited	ReNew Power Limited	1 April 2013	Not Applicable	100.00%	100%
18.	ReNew Wind Energy (TN) Private Limited	ReNew Power Limited	2 April 2013	Not Applicable	100.00%	100%
19.	ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited	5 April 2013	Not Applicable	100.00%	100%
20.	ReNew Wind Energy (MP One) Private Limited	ReNew Power Limited	23 November 2013	Not Applicable	100.00%	100%
21.	ReNew Solar Energy (Telangana) Private Limited *	ReNew Solar Power Private Limited	25 March 2015	Not Applicable	51.00%	51.00%
22.	ReNew Power Services Private Limited	ReNew Power Limited	15 June 2016	Not Applicable	100.00%	100%
23.	ReNew Solar Energy (Karnataka Two) Private Limited	ReNew Solar Power Private Limited	21 June 2016	Not Applicable	100.00%	100%
24.	ReNew Wind Energy (Shivpur) Private Limited	ReNew Power Limited	12 September 2011	Not Applicable	100.00%	100%
25.	ReNew Wind Energy (Karnataka) Private Limited	ReNew Power Limited	17 May 2012	Not Applicable	65.82%	64.89%
26.	ReNew Wind Energy (Karnataka 3) Private Limited	ReNew Solar Power Private Limited	1 June 2013	Not Applicable	100.00%	100%
27.	ReNew Wind Energy (AP Five) Private Limited	ReNew Solar Power Private Limited	4 March 2015	Not Applicable	100.00%	100%
28.	ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited	20 April 2015	Not Applicable	100.00%	100%
29.	Bhumi Prakash Private Limited	ReNew Solar Power Private Limited	5 October 2015	Not Applicable	100.00%	100%
30.	Tarun Kiran Bhoomi Private Limited	ReNew Solar Power Private Limited	5 October 2015	Not Applicable	100.00%	100%
31.	ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited)	ReNew Solar Power Private Limited	6 October 2015	Not Applicable	100.00%	100%
32.	ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited)	ReNew Solar Power Private Limited	6 October 2015	Not Applicable	100.00%	100%
33.	ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited) *	ReNew Solar Power Private Limited	6 October 2015	Not Applicable	51.00%	51%
34.	ReNew Wind Energy (Rajasthan 2) Private Limited	ReNew Power Limited	4 April 2013	Not Applicable	100.00%	100%
35.	ReNew Wind Energy (MP Two) Private Limited	ReNew Power Limited	23 November 2013	Not Applicable	100.00%	100%
36.	ReNew Wind Energy (Jath Three) Private Limited	ReNew Power Limited	30 April 2013	Not Applicable	100.00%	100%
37.	ReNew Wind Energy (Karnataka 4) Private Limited	ReNew Solar Power Private Limited	23 November 2013	Not Applicable	100.00%	100%
38.	ReNew Wind Energy (Maharashtra) Private Limited	ReNew Solar Power Private Limited	23 November 2013	Not Applicable	100.00%	100%
39.	ReNew Wind Energy (MP Four) Private Limited	ReNew Solar Power Private Limited	5 March 2015	Not Applicable	100.00%	100%
40.	ReNew Wind Energy (AP 2) Private Limited	ReNew Power Limited	5 April 2013	Not Applicable	100.00%	100%
41.	ReNew Wind Energy (Orissa) Private Limited	ReNew Power Limited	25 September 2012	Not Applicable	100.00%	100%
42.	ReNew Wind Energy (AP 4) Private Limited	ReNew Power Limited	17 September 2013	Not Applicable	100.00%	100%
43.	ReNew Wind Energy (Jadeswar) Private Limited	ReNew Power Limited	30 August 2011	Not Applicable	100.00%	100%
44.	ReNew Wind Energy (Welturi) Private Limited	ReNew Power Limited	23 May 2012	Not Applicable	100.00%	100%
45.	ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4) Private Limited)	ReNew Solar Energy Private Limited	4 April 2013	Not Applicable	100.00%	100%
46.	ReNew Solar Energy (Rajasthan) Private Limited	ReNew Solar Power Private Limited	4 April 2013	Not Applicable	100.00%	100%
47.	ReNew Wind Energy (Vaspet 5) Private Limited	ReNew Power Limited	26 April 2013	Not Applicable	100.00%	100%
48.	ReNew Solar Energy (Karnataka) Private Limited *	ReNew Solar Power Private Limited	3 June 2013	Not Applicable	51.00%	51%
49.	ReNew Wind Energy (TN 2) Private Limited	ReNew Solar Power Private Limited	12 August 2013	Not Applicable	100.00%	100%
50.	ReNew Wind Energy (Rajkot) Private Limited	ReNew Power Limited	25 August 2011	Not Applicable	100.00%	100%
51.	ReNew Wind Energy (Rajasthan) Private Limited	ReNew Power Limited	16 May 2012	Not Applicable	100.00%	100%
52.	ReNew Akshay Urja Limited (Formerly known as ReNew Akshay Urja Private Limited) *	ReNew Solar Power Private Limited	19 January 2015	Not Applicable	56.00%	56%
53.	ReNew Wind Energy (Jath) Limited (Formerly known as ReNew Wind Energy (Jath) Private Limited)	ReNew Power Limited	21 May 2012	Not Applicable	100.00%	100%
54.	ReNew Wind Energy (Rajasthan One) Private Limited	ReNew Power Limited	23 November 2013	Not Applicable	100.00%	100%
55.	ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited	23 November 2013	Not Applicable	100.00%	100%
56.	ReNew Solar Energy (TN) Private Limited	ReNew Solar Power Private Limited	4 June 2013	Not Applicable	99.99%	99.99%

(Amounts in INR millions, unless otherwise stated)

39 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Sl.No	Name of Companies	Holding Company	Date of incorporation	Date of acquisition	31 March 2018	31 March 2017
57.	ReNew Wind Energy (Karnataka Five) Private Limited	ReNew Power Limited	27 November 2013	Not Applicable	100.00%	100%
58.	ReNew Wind Energy (MP Three) Private Limited	ReNew Solar Power Private Limited	4 March 2015	Not Applicable	100.00%	100%
59.	ReNew Wind Energy (Rajasthan Four) Private Limited	ReNew Solar Power Private Limited	4 March 2015	Not Applicable	100.00%	100%
60.	ReNew Clean Energy Private Limited	ReNew Solar Power Private Limited	24 March 2015	Not Applicable	100.00%	100%
61.	ReNew Distributed Solar Energy Private Limited	ReNew Solar Energy Private Limited	19 September 2016	Not Applicable	100.00%	100%
62.	ReNew Distributed Solar Services Private Limited	ReNew Solar Energy Private Limited	19 September 2016	Not Applicable	100.00%	100%
63.	ReNew Distributed Solar Power Private Limited	ReNew Solar Energy Private Limited	19 September 2016	Not Applicable	100.00%	100%
64.	ReNew Surya Mitra Private Limited	ReNew Solar Energy Private Limited	4 October 2016	Not Applicable	100.00%	100%
65.	ReNew Surya Prakash Private Limited	ReNew Solar Energy Private Limited	4 October 2016	Not Applicable	100.00%	100%
66.	ReNew Saur Vidyut Private Limited	ReNew Solar Energy Private Limited	6 October 2016	Not Applicable	100.00%	100%
67.	ReNew Solar Daylight Energy Private Limited	ReNew Solar Energy Private Limited	20 January 2017	Not Applicable	100.00%	100%
68.	ReNew Solar Sun Flame Private Limited	ReNew Solar Energy Private Limited	20 January 2017	Not Applicable	100.00%	100%
69.	ReNew Power Singapore PTE Limited	ReNew Power Limited	5 September 2017	Not Applicable	100.00%	-
70.	Abha Sunlight Private Limited	ReNew Solar Power Private Limited	07 March 2018	Not Applicable	100.00%	-
71.	Nokor Solar Energy Private limited	ReNew Solar Power Private Limited	05 March 2018	Not Applicable	100.00%	-
72.	Izra Solar Energy Private Limited	ReNew Solar Power Private Limited	06 March 2018	Not Applicable	100.00%	-
73.	Zorya Solar Energy Private Limited	ReNew Solar Power Private Limited	06 March 2018	Not Applicable	100.00%	-
74.	Vivasvat Solar Energy Private Limited	ReNew Solar Power Private Limited	05 March 2018	Not Applicable	100.00%	-
75.	Nokor Bhoomi Private Limited	ReNew Solar Power Private Limited	06 March 2018	Not Applicable	100.00%	-
76.	Akhilagya Solar Energy Private Limited	ReNew Solar Power Private Limited	05 March 2018	Not Applicable	100.00%	-
77.	Adyah Solar Energy Private Limited	ReNew Solar Power Private Limited	09 March 2018	Not Applicable	100.00%	-
78.	ReNew Transmission Ventures Private Limited	ReNew Power Limited	08 March 2018	Not Applicable	100.00%	-
79.	Helios Infratech Private Limited	ReNew Power Limited	22 February 2010	24 August 2016	100.00%	100%
80.	Shruti Power Projects Private Limited	ReNew Power Limited	6 March 2013	16 September 2016	100.00%	100%
81.	Lexicon Vanijya Private Limited	ReNew Solar Power Private Limited	25 February 2008	02 December 2016	100.00%	100%
82.	Symphony Vyapaar Private Limited	ReNew Solar Power Private Limited	25 February 2008	02 December 2016	100.00%	100%
83.	Star Solar Power Private Limited	ReNew Solar Power Private Limited	28 May 2010	01 December 2016	100.00%	100%
84.	Sungold Energy Private Limited	ReNew Solar Power Private Limited	31 May 2010	01 December 2016	100.00%	100%
85.	SunSource Energy Services Private Limited	ReNew Solar Energy Private Limited	18 April 2013	01 December 2016	100.00%	100%
86.	Molagavalli ReNewable Private Limited	ReNew Power Limited	7 January 2017	25 March 2017	100.00%	100%
87.	KCT Renewable Energy Private Limited	ReNew Power Limited	1 July 2014	15 November 2017	100.00%	-
88.	Rajat Renewables Limited	ReNew Power Limited	08 March 2017	30 January 2018	100.00%	-
89.	Kanak Renewables Limited	ReNew Power Limited	08 March 2017	30 January 2018	100.00%	-
90.	Bidwal Renewable Private Limited	ReNew Power Limited	20 February 2017	09 February 2018	100.00%	-
91.	Pugalur Renewable Private Limited	ReNew Power Limited	20 February 2017	09 February 2018	100.00%	-
92.	Aalok Solarfarms Limited #	Ostro Energy Private Limited	27 March 2015	28 March 2018	49.00%	-
93.	Abha Solarfarms Limited #	Ostro Energy Private Limited	16 March 2015	28 March 2018	49.00%	-
94.	AVP Powerinfra Private Limited	Ostro Energy Private Limited	22 January 2014	28 March 2018	100.00%	-
95.	Badoni Power Private Limited	Ostro Energy Private Limited	22 August 2014	28 March 2018	100.00%	-
96.	Heramba Renewables Limited #	Ostro Energy Private Limited	03 July 2015	28 March 2018	49.00%	-
97.	Ostro Alpha Wind Private Limited	Ostro Energy Private Limited	30 June 2015	28 March 2018	100.00%	-
98.	Ostro Anantapur Private Limited	Ostro Energy Private Limited	12 December 2014	28 March 2018	100.00%	-
99.	Ostro Andhra Wind Private Limited	Ostro Energy Private Limited	24 December 2014	28 March 2018	100.00%	-
100.	Ostro AP Wind Private Limited	Ostro Energy Private Limited	01 July 2015	28 March 2018	100.00%	-
101.	Ostro Bhesada Wind Private Limited	Ostro Energy Private Limited	05 March 2015	28 March 2018	100.00%	-
102.	Ostro Dakshin Power Private Limited	Ostro Energy Private Limited	28 November 2015	28 March 2018	100.00%	-
103.	Ostro Dhar Wind Private Limited	Ostro Energy Private Limited	05 March 2015	28 March 2018	100.00%	-
104.	Ostro Jaisalmer Private Limited	Ostro Energy Private Limited	02 March 2013	28 March 2018	100.00%	-
105.	Ostro Kannada Power Private Limited	Ostro Energy Private Limited	18 February 2016	28 March 2018	100.00%	-
106.	Ostro Kutch Wind Private Limited	Ostro Energy Private Limited	25 June 2015	28 March 2018	100.00%	-
107.	Ostro Madhya Wind Private Limited	Ostro Energy Private Limited	26 December 2014	28 March 2018	100.00%	-
108.	Ostro Mahawind Power Private Limited	Ostro Energy Private Limited	28 November 2015	28 March 2018	100.00%	-
109.	Ostro Raj Wind Private Limited	Ostro Energy Private Limited	24 December 2014	28 March 2018	100.00%	-
110.	Ostro Rann Wind Private Limited	Ostro Energy Private Limited	14 January 2015	28 March 2018	100.00%	-
111.	Ostro Renewables Private Limited	Ostro Energy Private Limited	25 April 2008	28 March 2018	100.00%	-
112.	Ostro Urja Wind Private Limited	Ostro Energy Private Limited	12 December 2014	28 March 2018	100.00%	-
113.	Prathamesh Solarfarms Limited #	Ostro Energy Private Limited	27 March 2015	28 March 2018	49.00%	-
114.	Shreyas Solarfarms Limited #	Ostro Energy Private Limited	27 March 2015	28 March 2018	49.00%	-
115.	Ostro Energy Private Limited	Renew Power Services Private Limited	14 June 2014	28 March 2018	100.00%	-
116.	Zemira Renewable Energy Limited	ReNew Power Limited	26 May 2015	31 March 2018	100.00%	-

* These are joint venture companies, however, the respective joint venture partners have protective rights only. Hence, these have been accounted as subsidiaries in these consolidated financial statements of the group.
# These entities are under joint control and have been accounted for as jointly controlled entities.

(Amounts in INR millions, unless otherwise stated)

40 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 period and description of relationship as identified by the management are:-

I. Holding Company
GS Wyvern Holdings Limited (Upto 22 March 2018)

II. Key management personnel:

Mr. Sumant Sinha, Chairman and Managing Director
Mr. Ravi Seth, Chief Financial Officer
Mr. Parag Sharma, Chief Operating Officer and head of solar business
Mr. Balram Mehta, President of wind business
Mr. Ravi Parmeshwar, Chief Human Resource Officer
Mr. Ashish Jain, Company Secretary and Compliance Officer

III. Enterprise owned or significantly influenced by key management personnel or their relatives:
Cognisa Investment
Wisemore Advisory Private Limited

IV. Enterprise under joint control:
Prathamesh Solarfarms Limited
Heramba Renewables Limited
Aalok Solarfarms Limited
Shreyas Solarfarms Limited
Abha Solarfarms Limited

V. Remuneration to key managerial personnel (KMP):

	31-Mar-18	31-Mar-17*
Mr. Sumant Sinha	415.24	385.00
Mr. Ravi Seth*	49.95	-
Mr. Parag Sharma*	47.45	-
Mr. Balram Mehta*	43.98	-
Mr. Ravi Parmeshwar*	20.60	-
Mr. Ashish Jain*	5.11	-

Above remuneration includes share based payment of INR 402.79 (31 March 2017: INR 294.75) and gratuity expense of INR 16.07 (31 March 2017: INR 3.28)

* Designated as KMPs in current year, therefore, remuneration details have not been disclosed for previous year.

VI. Transactions and balances with enterprises owned or significantly influenced by key management personnel or their relatives

Transactions during the year	Cognisa Investment	
Particulars	31 March 2018	31 March 2017
Interest on compulsorily convertible debentures	-	0.00

VII. Transactions and balances with enterprises under joint control:

Transactions during the year	Prathamesh Solarfarms Limited		Heramba Renewables Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Investment in equity shares	-	241.87	45.72	-
Investment in compulsory convertible debentures	-	234.96	135.98	-
Income from management fees	0.64	-	0.08	-
Corporate guarantee issued to project lender(s)	385.00	-	148.00	-

Transactions during the year	Aalok Solarfarms Limited		Shreyas Solarfarms Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Investment in equity shares	22.86	-	45.72	-
Investment in compulsory convertible debentures	67.99	-	135.96	-
Income from management fees	0.04	-	0.08	-
Corporate guarantee issued to project lender(s)	74.00	-	148.00	-

Transactions during the year	Abha Solarfarms Limited	
	31 March 2018	31 March 2017
Investment in equity shares	22.86	-
Investment in compulsory convertible debentures	67.99	-
Income from management fees	0.04	-
Corporate guarantee issued to project lender(s)	74.00	-

(Amounts in INR millions, unless otherwise stated)

Balances as on year end	Prathamesh Solarfarms Limited		Heramba Renewables Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trade receivable	3.17	-	0.65	-
Advance given	7.26	-	2.79	-
Corporate guarantee outstanding to project lender(s)	385.00	-	148.00	-
Bank guarantee issued to project lender(s)	192.50	192.50	-	-

Balances as on year end	Aalok Solarfarms Limited		Shreyas Solarfarms Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trade receivable	0.32	-	0.64	-
Advance given	2.75	-	2.75	-
Corporate guarantee outstanding to project lender(s)	74.00	-	148.00	-

Balances as on year end	Abha Solarfarms Limited	
	31 March 2018	31 March 2017
Trade receivable	0.31	-
Advance given	2.75	-
Corporate guarantee outstanding to project lender(s)	74.00	-

(Amounts in INR millions, unless otherwise stated)

41 Segment Information

The CEO of ReNew Power 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 group's CEO. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 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 operating profit, comparable operating profit and comparable EBITDA.

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 2018			For the year ended 31 March 2017		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Revenue from operations	15,254.93	8,809.27	24,064.19	10,172.16	2,900.80	13,072.96
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**15,254.93**	**8,809.27**	**24,064.19**	**10,172.16**	**2,900.80**	**13,072.96**
Other income (other than interest income)	1,677.27	50.94	1,728.21	1,351.17	50.51	1,401.68
Total	**16,932.20**	**8,860.21**	**25,792.40**	**11,523.33**	**2,951.31**	**14,474.64**
Add: Unallocable income	-	-	2,002.30	-	-	1,032.65
Total Income	**16,932.20**	**8,860.21**	**27,794.70**	**11,523.33**	**2,951.31**	**15,507.29**
Less: Employee benefits and other expenses	2,423.29	1,343.15	3,766.44	1,434.88	572.25	2,007.13
Less: Unallocable expenses			961.71	-	-	396.27
Total Expenses	**2,423.29**	**1,343.15**	**4,728.14**	**1,434.88**	**572.25**	**2,403.40**
Earning before interest, tax, depreciation and amortization (EBITDA)	**14,508.91**	**7,517.06**	**23,066.56**	**10,088.45**	**2,379.06**	**13,103.89**
Depreciation and amortization expense (net)			7,125.35			3,827.81
Finance costs			15,100.50			8,258.41
Profit before tax			**840.71**			**1,017.67**

The Revenues from three major customers amounts to INR 12,169.39 (31 March 2017: INR 8,824.81) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 7,422.47 (31 March 2017: INR 8,038.13) and Solar Segment amounts to INR 4,746.92 (31 March 2017: INR 786.68).

(Amounts in INR millions, unless otherwise stated)

42 Fair values

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

	31 March 2018		31 March 2017	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Security deposits	96.07	96.07	21.99	21.99
Bank deposits with remaining maturity for more than twelve months	2,532.89	2,532.89	30.73	30.73
Investments-non current, unquoted debt securities	642.88	642.88	-	-
Investments-current, quoted mutual funds	9,268.18	9,268.18	6.18	6.18
Derivative instruments	74.82	74.82	-	-
Trade receivables	6,700.97	6,700.97	4,840.72	4,840.72
Cash and cash equivalent	13,913.90	13,913.90	27,139.00	27,139.00
Bank balances other than cash and cash equivalent	10,322.33	10,322.33	4,507.46	4,507.46
Advances recoverable in cash	585.51	585.51	-	-
Unbilled revenue	2,950.05	2,950.05	1,883.23	1,883.23
Interest accrued on fixed deposits	248.29	248.29	104.96	104.96
Insurance claim receivable	-	-	7.24	7.24
Government grant receivable	940.28	940.28	546.51	546.51
Other current financial assets	30.96	30.96	-	-
Financial liabilities				
Non Convertible Debentures	63,185.62	63,185.62	20,949.78	20,949.78
Term loan in Indian rupees from bank	45,513.94	45,513.94	16,093.02	16,093.02
Term loan in Indian rupees from financial institutions	64,020.14	64,020.14	19,717.21	19,717.21
Compulsory Convertible Debentures	637.62	637.62	587.01	587.01
Buyer's / Supplier's credit	13,960.73	13,960.73	15,692.50	15,692.50
Bonds	31,765.60	31,765.60	31,151.05	-
Derivative instruments	931.43	931.43	2,243.60	2,243.60
Interest accrued but not due on borrowings	1,080.39	1,080.39	910.00	910.00
Interest accrued and due on borrowings	-	-	15.85	15.85
Interest accrued but not due on debentures	439.97	439.97	217.97	217.97
Capital creditors	15,615.87	15,615.87	15,226.55	15,226.55
Purchase consideration payable	1,877.09	1,877.09	162.38	162.38
Share application money received and due for refund	-	-	2.20	2.20
Other payables	-	-	-	-
Short-term borrowings	19,365.19	19,365.19	16,575.83	16,575.83
Trade payables	2,734.82	2,734.82	2,396.20	2,396.20

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

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

i The fair values of the group's term loans from banks and financial institutions 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 year. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsory convertible debentures, senior secured bonds and unlisted non convertible debentures are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii 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.

43 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.

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 2018		31 March 2017	
	Level of fair value measurement	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at fair value					
Investments	Level 1	9,268.18	9,268.18	6.18	6.18
Financial assets not measured at fair value (at amortised cost)					
Security deposits	Level 2	96.07	96.07	21.99	21.99
Total		**96.07**	**96.07**	**21.99**	**21.99**
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 2	2,532.89	2,532.89	30.73	30.73
Total		**2,532.89**	**2,532.89**	**30.73**	**30.73**
Financial Assets (Current): Others					
Advances recoverable in cash	Level 2	585.51	585.51	-	-
Unbilled revenue	Level 2	2,950.05	2,950.05	1,883.23	1,883.23
Interest accrued on fixed deposits	Level 2	248.29	248.29	104.96	104.96
Government grant receivable	Level 2	940.28	940.28	546.51	546.51
Insurance claim receivable	Level 2	-	-	7.24	7.24
Other current financials assets	Level 2	30.96	30.96	-	-
Total		**4,755.08**	**4,755.08**	**2,541.94**	**2,541.94**
Trade receivables	Level 2	6,700.97	6,700.97	4,840.72	4,840.72
Cash and bank balances					
Cash and cash equivalent	Level 2	13,913.90	13,913.90	27,139.00	27,139.00
Bank balances other than cash and cash equivalent	Level 2	10,322.33	10,322.33	4,507.46	4,507.46
Total		**24,236.23**	**24,236.23**	**31,646.46**	**31,646.46**

(Amounts in INR millions, unless otherwise stated)

Measured at fair value through Profit and Loss					
Investments	Level 1	642.88	642.88	-	-
Derivative instruments	Level 2	74.82	74.82	-	-
Total		**717.70**	**717.70**	-	-
Financial liabilities not measured at fair value					
1. Measured at amortised cost					
Long-term borrowings					
Non Convertible Debentures	Level 2	63,185.62	63,185.62	20,949.78	20,949.78
Compulsory Convertible Debentures	Level 2	637.62	637.62	587.01	587.01
Term loan in Indian rupees from banks	Level 2	45,513.94	45,513.94	16,093.02	16,093.02
Term loan in Indian rupees from financial institution	Level 2	64,020.14	64,020.14	19,717.21	19,717.21
Buyer's / Supplier's credit	Level 2	13,960.73	13,960.73	15,692.50	15,692.50
Bonds	Level 2	31,765.60	31,765.60	31,151.05	31,151.05
Total		**219,083.65**	**219,083.65**	**104,190.57**	**104,190.57**
Other non-current liabilities					
Short-term borrowings	Level 2	19,365.19	19,365.19	16,575.83	16,575.83
Trade payables	Level 2	2,734.82	2,734.82	2,396.20	2,396.20
Financial liabilities (Current): Others					
Interest accrued but not due on borrowings	Level 2	1,080.39	1,080.39	910.00	910.00
Interest accrued and due on borrowings	Level 2	-	-	15.85	15.85
Interest accrued but not due on debentures	Level 2	439.97	439.97	217.97	217.97
Capital creditors	Level 2	15,615.87	15,615.87	15,226.55	15,226.55
Purchase consideration payable	Level 2	1,877.09	1,877.09	162.38	162.38
Share application money received and due for refund	Level 2	-	-	2.20	2.20
Other payables	Level 2	-	-	-	-
Total		**19,013.32**	**19,013.32**	**16,534.95**	**16,534.95**
2. Measured at fair value through Profit and Loss					
-Nil-	-	-	-	-	-
3. Measured at fair value through Other comprehensive income					
Derivative instruments	Level 2	931.43	931.43	2,243.60	2,243.60

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets measured at fair value			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Derivative instruments- Cross currency interest rate swaps	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to
Financial assets not measured at fair value			
Security deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	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
Share application money pending allotment	Level 2	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
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Insurance claim receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Accrued interest on NSC	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities not measured at fair value			
Non Convertible Debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Compulsory Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan in Indian rupees from banks	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan in Indian rupees from financial institution	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Buyer's / Supplier's credit (secured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bonds	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Security deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Short-term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued and due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Purchase consideration payable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Share application money received and due for refund	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Other payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

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

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 3 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 2018 and 31 March 2017. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2018.

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 liabilities, as follows:

	31 March 2018		31 March 2017	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+196.24	+/(-)50	(-)/+146.00
US dollar	+/(-)60	(-)/+2.00	+/(-)60	(-)/+3.00

	31 March 2018		31 March 2017	
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	(-)/+156.37	+/(-)50	(-)/+100.89
US dollar	+/(-)60	(-)/+2.00	+/(-)60	(-)/+3.00

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.

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. The Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Group does not undertake any speculative transaction.

Foreign currency sensitivity

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

	31 March 2018		31 March 2017	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(21.84)	21.84	(23.96)	23.96

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 but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities. The maximum credit exposure to credit risk for the components of the balance sheet at 31 March 2018, 31 March 2017 is the carrying amount of all the financial assets.

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 2018 and 31 March 2017 is the carrying amount of all the financial assets.

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 credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by Group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the 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.

(Amounts in INR millions, unless otherwise stated)

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, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind and solar power plants and related assets. The 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:

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Unlisted redeemable, non cumulative and non convertible debentures*	-	-	-	64,455.35	29,148.11	93,603.46
Compulsory convertible debentures	-	-	-	-	637.62	637.62
Term loan from Banks and financial institutions*	-	-	-	75,225.26	114,883.08	190,108.34
Buyer's credit	-	-	-	8,451.53	-	8,451.53
Bonds*	-	-	-	43,719.39	-	43,719.39
Short term borrowings						
Acceptances	-	7,294.30	-	-	-	7,294.30
Commercial papers (unsecured)	-	5,164.96	-	-	-	5,164.96
Loan from body corporate	-	82.98				82.98
Buyer's / Supplier's credit	-	3,173.82	669.13	-	-	3,842.95
Working capital demand loans	-	-	2,980.00	-	-	2,980.00
Other financial liabilities						
Current maturities of long term borrowings*	-	42,125.26	25,607.22	-	-	67,732.68
Interest accrued but not due on borrowings	-	648.27	432.12	-	-	1,080.39
Interest accrued but not due on debentures	-	439.97	-	-	-	439.97
Mark to market on derivatives	-	931.43	-	-	-	931.43
Capital Creditors	-	15,615.87	-	-	-	15,615.87
Purchase consideration payable	-	1,877.09	-	-	-	1,877.09
Trades payables						
Trades payables	-	2,734.82	-	-	-	2,734.82

*including future interest payments.

(Amounts in INR millions, unless otherwise stated)

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

Year ended 31 March 2017	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Borrowings						
Term loan from Banks and financial institutions*	-	-	-	23,929.54	37,849.56	61,779.10
Senior Secured Bonds*	-	-	-	44,495.19	-	44,495.19
Buyer's credit	-	-	-	15,692.50	-	15,692.50
Non convertible debentures*	-	-	-	23,196.95	6,702.20	29,899.14
Compulsorily convertible debentures	-	-	-	-	587.01	587.01
Short term borrowings						
Loan from body corporate	97.42	-	-	-	-	97.42
Buyer's/Supplier's credit	-	3,343.46	-	-	-	3,343.46
Acceptances	-	9,142.92	3,992.04	-	-	13,134.95
Other financial liabilities						
Current maturities of long term borrowings*	-	1,651.72	9,174.82	-		10,826.54
Interest accrued but not due on borrowings	-	499.52	410.48	-	-	910.00
Interest accrued and due on borrowings	-	15.85	-	-	-	15.85
Interest accrued but not due on debentures	-	217.97	-	-	-	217.97
Mark to market on derivatives	-	2,243.60	-	-	-	2,243.60
Capital Creditors	-	15,226.55	-	-	-	15,226.55
Purchase consideration payable	-	162.38	-	-	-	162.38
Share application money pending allotment	-	2.20	-	-	-	2.20
Trades payables						
Trades payables	-	2,396.20	-	-	-	2,396.20

* Including future interest payments

(Amounts in INR millions, unless otherwise stated)

45 Capital management

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

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

To maintain or adjust the capital structure, the 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.

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2018.

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

(i) Contingent liabilities
The Group has contingent liability of INR 255.28 on account of liquidity damages claim (which is under litigation) (31 March 2017: Nil).

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2018, the group has capital commitment (net of advances) pertaining to commissioning of wind & solar energy projects of INR 26,112.01 (31 March 2017: 11,657.11).

47 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 2018	As at 31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/period	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year/period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

48 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the Company during the year is INR 27.87 (31March 2017: INR 20.00).
(b) Amount spent during the year on:

List of CSR activities	In Cash	Yet to be paid	Total
Construction / Acquisition of any asset	nil	nil	nil
Activities relating to:			
Current year	37.07	11.78	48.85
Previous year	(13.16)	(9.58)	(22.74)

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

49 During the year, the Group reached settlement with certain suppliers/contractors for compensation for loss of revenue due on account of delay in commissioning of power projects. Resultantly, an amount of INR 337.74 (31 March 2017 : 407.01) towards Liquidated Damages ('LDs') has been recognized in the statement of profit and loss.

Since, the said LDs are directly linked to delay in creating profit making apparatus, the same has been considered as capital receipt and thus has not been included in Book Profit under section 115JB of the Income Tax Act, 1961. The same has also been supported by the opinion of the advisors of the company.

(Amounts in INR millions, unless otherwise stated)

50 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 2.02% to 7.85% p.a. and receive a variable interest at 1 month LIBOR plus 0.50% p.a. to 6 month LIBOR plus 1.25% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 7.31% to 13.01% p.a. and receive a variable interest at 1 month LIBOR plus 0.50% to 6 months LIBOR plus 3.85% p.a. on the notional amount.

The cash flow hedges through CCS of USD 133,921,267.00, IRS of USD 352,715,932.00 and forward of USD 199,316,488.00 outstanding at the year ended 31 March 2018 were assessed to be highly effective and a mark to market loss of INR 355.83 (31 March 2017: INR 1,500.10) with a deferred tax asset of INR 90.99 (31 March 2017: INR 463.37), is included in OCI.

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

	31-Mar-18		31-Mar-17	
	Assets	Liabilities	Assets	Liabilities
Derivative contracts designated as hedging instruments	74.82	931.43	-	2,243.60

Hedging reserve movement	As at 31 March 2018	As at 31 March 2017
Balance at the beginning (after non controlling interest)	(978.18)	(133.89)
Gain/(loss) recognised on cash flow hedges	(611.93)	(2953.57)
Income tax relating to gain/loss recognized on cash flow hedges	103.55	912.99
Gain/(loss) reclassified to profit or loss	404.56	260.61
Income tax relating to gain/loss reclassified to profit or loss	(110.59)	(80.54)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	1,177.62	1191.75
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(310.85)	(368.25)
Gain/(loss) reclassified to profit or loss as hedged future cash flows are no longer expected to occur	172.99	194.15
Income tax relating to gain/loss reclassified to profit or loss as hedged future cash flows are no longer expected to occur	(52.45)	(59.99)
Balance at the end	(205.28)	(1036.74)
Less: Non controlling interest movement for the year	(65.55)	58.56
Balance at the end (after non controlling interest)	(270.83)	(978.18)

51 Break up of investments in entities under control is as under -

Name of Companies	Cost of acquisition	Goodwill included in cost of acquisition	Share in other comprehensive income of entities with joint control post acquisition	Carrying cost of investments
Prathmesh Solarfarms Limited				
As at 31 March 2018	492.00	243.68	0.00	492.00
As at 31 March 2017	-	-	-	-
Abha Solarfarms Limited				
As at 31 March 2018	88.78	63.98	0.00	88.78
As at 31 March 2017	-	-	-	-
Heramba Renewables Limited				
As at 31 March 2018	161.48	116.37	0.00	161.48
As at 31 March 2017	-	-	-	-
Aalok Solarfarms Limited				
As at 31 March 2018	88.32	63.65	0.00	88.32
As at 31 March 2017	-	-	-	-
Shreyas Solarfarms Limited				
As at 31 March 2018	170.32	122.74	0.00	170.32
As at 31 March 2017	-	-	-	-

(Amounts in INR millions, unless otherwise stated)

52 Business combinations

The group have acquired unlisted company based in India and carrying out business activities relating to generation of power through non-conventional and renewable energy sources, inexchange 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.

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

Particulars	For the year ended 31 March 2018			For the year ended 31 March 2017				
	Zemira Renewable Private Limited**	Ostro Energy Private Limited**	KCT Renewable Energy Private Limited**	Molagavalli Renewable Private Limited*	Vikram Solar Group**	Sunsource Energy Services Private Limited*	Helios Infratech Private Limited**	Shruti Power Projects Private Limited*
Acquisition date	**31 March 2018**	**28 March 2018**	**15 November 2017**	**25 March 2017**	**02 December 2016**	**01 December 2016**	**24 August 2016**	**16 September 2016**
Segment	**Wind**	**Wind & Solar**	**Wind**	**Wind**	**Solar**	**Solar**	**Wind**	**Wind**
Assets	**INR**	**INR**	**INR**	**INR**	**INR**	**INR**	**INR**	**INR**
Property plant and equipment	3,561.67	45,795.78	7,018.41	3,565.09	1,506.55	-	-	557.33
Intangible assets	456.79	21,528.95	2,112.80	74.00	818.95	3.02	191.52	48.00
Intangible assets under development	-	1,416.00	-	-	-	-	-	-
Capital Work in Progress	-	5,231.59	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	0.02
Deferred tax assets (net)	0.69	315.19	-	-	16.00	-	-	0.01
Prepayments - Non Current	-	695.71	-	-	-	-	-	-
Non-current investments	-	1,643.63	-	-	95.29	-	-	-
Other non-current financial assets	-	80.05	-	-	-	-	-	-
Other non-current assets	-	1,243.47	0.34	-	10.01	-	-	0.07
Current investments	-	4,332.27	193.38	-	5.75	-	-	-
Trade receivables	-	960.15	866.53	-	2.12	-	-	-
Prepayments - Current	-	204.36	9.52	-	2.00	-	0.44	12.96
Cash and cash equivalents	0.03	3,479.58	108.05	0.01	28.31	0.00	0.93	14.20
Bank balances other than cash and cash equivalent	-	969.95	-	-	62.97	-	-	51.77
Others current financial assets	4.45	416.37	18.74	-	-	-	-	0.38
Other current assets	-	208.87	29.10	-	228.05	-	0.25	110.67
	4,023.63	**88,521.92**	**10,356.87**	**3,639.10**	**2,776.00**	**3.02**	**193.14**	**795.41**
Liabilities								
Long-term borrowings	-	45,171.35	-	-	1,824.20	-	-	374.86
Short-term borrowings	1.53	479.66	-	-	-	0.01	28.43	97.42
Deferred tax liabilities (net)	-	4,996.79	478.04	13.72	24.90	0.60	29.21	(0.36)
Other non current liabilities	-	734.54	-	-	-	-	-	-
Trade payables	0.04	58.26	0.33	0.01	2.18	0.01	1.63	25.15
Other current financial liabilities	4,023.66	4,277.63	6,136.65	3,565.09	97.78	-	-	26.02
Other current liabilities	0.01	248.62	2.46	-	1.55	-	0.15	0.23
Short term Provisions	-	123.54	42.68	-	-	-	-	-
Long term Provisions	-	0.03	-	-	-	-	-	-
	4,025.24	**56,090.42**	**6,660.16**	**3,578.82**	**1,950.61**	**0.62**	**59.42**	**523.32**
Total identifiable net assets at fair value	**(1.61)**	**32,431.50**	**3,696.71**	**60.28**	**825.39**	**2.40**	**133.72**	**272.09**
Goodwill/(Bargain purchase) on acquisition	2.11	9,902.38	755.26	(37.19)	155.03	(2.08)	115.90	(75.13)
Purchase consideration transferred	0.50	42,333.88	4,451.97	23.09	980.42	0.32	249.62	196.96

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property plant and equipment and Intangible Assets.
*Due to the group's long term contractual relationship with the respective seller and its leadership position in the wind energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 114.40.
** Goodwill recognised represents the future economic and synergy benefits arising from assets acquired to strengthen it's position in renewable energy sector. Goodwill is allocated entirely to the wind and solar power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, acquired entitles have contributed in revenue and profit/loss before tax follows:

Particulars	From the date of acquisition till 31 March 2018			From the respective date of acquisition till 31 March 2017				
	Zemira Renewable Private Limited	Ostro Energy Private Limited	KCT Renewable Energy Private Limited	Molagavalli Renewable Private Limited	Vikram Solar Group	Sunsource Energy Services Private Limited	Helios Infratech Private Limited	Shruti Power Projects Private Limited
Revenue	0.34	44.17	278.06	0.40	169.05	-	0.19	25.52
Profit/(loss) before tax	(0.12)	(7.12)	(105.62)	(0.02)	47.57	(0.74)	(4.81)	(11.41)

If the combination had taken place at the beginning of the year, revenue from operations and the loss before tax would have been:

Particulars	For the year ended 31 March 2018			From 1 April 2016 to 31 March 2017				
	Zamira Renewable Private Limited	Ostro Energy Private Limited	KCT Renewable Energy Private Limited	Molagavalli Renewable Private Limited	Vikram Solar Group	Sunsource Energy Services Private Limited	Helios Infratech Private Limited	Shruti Power Projects Private Limited
Revenue	4.80	6,358.21	1,227.57	0.40	426.57	-	0.19	91.68
Profit/(loss) before tax	(3.35)	29.44	339.21	(0.02)	56.91	(0.83)	(5.83)	15.90

(Amounts in INR millions, unless otherwise stated)

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

Name of the entity	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	**(32.41%)**	**(24,200.98)**	**29.59%**	**153.84**	**0.00%**	**-**	**11.90%**	**153.84**
Subsidiaries								
Renew Wind Energy (Rajasthan) Private Limited	2.06%	1,535.00	17.46%	90.79	0.00%	-	7.03%	90.79
Renew Wind Energy (Welturi) Private Limited	(0.00%)	(1.74)	(22.04%)	(114.56)	0.00%	-	(8.86%)	(114.56)
Renew Wind Energy (Devgarh) Private Limited	2.23%	1,662.59	48.12%	250.15	(0.46%)	(3.54)	19.08%	246.61
ReNew Wind Energy (Karnataka) Private Limited	(0.71%)	(528.82)	(30.40%)	(158.03)	0.00%	-	(12.23%)	(158.03)
Renew Wind Energy (AP) Private Limited	1.36%	1,012.56	6.57%	34.16	0.00%	-	2.64%	34.16
Renew Wind Energy (Rajkot) Private Limited	(0.37%)	(274.68)	4.05%	21.05	0.00%	-	1.63%	21.05
ReNew Wind Energy (Jath) Limited	1.57%	1,171.28	24.25%	126.05	0.00%	-	9.75%	126.05
Renew Wind Energy (Delhi) Private Limited	0.18%	135.52	1.33%	6.92	0.00%	-	0.54%	6.92
Renew Wind Energy (Shivpur) Private Limited	(0.27%)	(201.60)	(22.38%)	(116.35)	0.00%	-	(9.00%)	(116.35)
Renew Wind Energy (Jadeswar) Private Limited	0.89%	662.55	13.99%	72.73	0.00%	-	5.63%	72.73
ReNew Wind Energy (Varekarwadi) Private Limited	1.94%	1,446.00	11.38%	59.16	0.00%	-	4.58%	59.16
Renew Wind Energy MP Private Limited	0.33%	246.52	(0.08%)	(0.44)	0.00%	-	(0.03%)	(0.44)
Renew Wind Energy (AP 3) Private Limited	1.55%	1,155.71	(1.20%)	(6.24)	0.00%	-	(0.48%)	(6.24)
Renew Wind Energy (MP Two) Private Limited	0.47%	348.29	(14.30%)	(74.36)	0.00%	-	(5.75%)	(74.36)
Renew Wind Energy (Rajasthan One) Private Limited	(2.22%)	(1,660.66)	1.97%	10.24	0.00%	-	0.79%	10.24
Renew Wind Energy (Sipla) Private Limited	3.51%	2,624.03	19.61%	101.96	(1.86%)	(14.35)	6.78%	87.60
Renew Wind Energy (Jamb) Private Limited	0.88%	658.72	(7.23%)	(37.61)	(0.49%)	(3.77)	(3.20%)	(41.39)
Renew Wind Energy (Orissa) Private Limited	0.44%	327.85	(4.78%)	(24.83)	0.00%	-	(1.92%)	(24.83)
Renew Wind Energy (TN) Private Limited	0.01%	7.91	(0.46%)	(2.39)	0.00%	-	(0.18%)	(2.39)
Renew Wind Energy (Rajasthan 2) Private Limited	0.00%	3.68	(0.14%)	(0.71)	0.00%	-	(0.05%)	(0.71)
Renew Wind Energy (AP 2) Private Limited	0.92%	690.44	(0.58%)	(3.04)	0.00%	-	(0.24%)	(3.04)
Renew Wind Energy (Karnataka Two) Private Limited	0.00%	2.60	(0.20%)	(1.06)	0.00%	-	(0.08%)	(1.06)
Renew Wind Energy (Vaspet 5) Private Limited	0.00%	2.48	(0.15%)	(0.77)	0.00%	-	(0.06%)	(0.77)
Renew Wind Energy (Jath Three) Private Limited	0.00%	2.87	(0.01%)	(0.05)	0.00%	-	(0.00%)	(0.05)
Renew Wind Energy (AP 4) Private Limited	0.00%	1.27	(0.10%)	(0.52)	0.00%	-	(0.04%)	(0.52)
Renew Wind Energy (MP One) Private Limited	0.08%	61.20	(0.02%)	(0.10)	0.00%	-	(0.01%)	(0.10)
Renew Wind Energy (Karnataka Five) Private Limited	0.06%	46.91	(0.02%)	(0.09)	0.00%	-	(0.01%)	(0.09)
Renew Wind Energy (Rajasthan 3) Private Limited	2.43%	1,813.82	2.10%	10.91	0.51%	3.94	1.15%	14.85
Narmada Wind Energy Private Limited	(2.13%)	(1,589.61)	(7.07%)	(36.75)	0.00%	-	(2.84%)	(36.75)
Abaha Wind Energy Private Limited	0.03%	19.11	(0.08%)	(0.43)	0.00%	-	(0.03%)	(0.43)
Helios Infratech Private Limited	3.11%	2,324.34	(28.57%)	(148.52)	0.00%	-	(11.49%)	(148.52)
Shruti Power Private Limited	1.34%	1,002.64	(3.49%)	(18.16)	0.00%	-	(1.41%)	(18.16)
Molagavalli Renewable Private Limited	1.52%	1,135.01	13.52%	70.28	0.00%	-	5.44%	70.28
KCT Renewable Energy Private Limited	3.49%	2,604.74	(16.61%)	(86.38)	0.00%	-	(6.68%)	(86.38)
Kanak Renewables Limited	1.15%	857.58	(0.13%)	(0.69)	0.00%	-	(0.05%)	(0.69)
Rajat Renewables Limited	1.22%	910.55	(0.05%)	(0.25)	0.00%	-	(0.02%)	(0.25)
Pugalur Renewable Private Limited	1.44%	1,078.36	(0.64%)	(3.35)	0.00%	-	(0.26%)	(3.35)
Bidwal Renewable Private Limited	1.33%	991.52	(0.56%)	(2.91)	0.00%	-	(0.23%)	(2.91)
Zemira Renewable Energy Limited	1.19%	885.45	(0.01%)	(0.05)	0.00%	-	(0.00%)	(0.05)
Renew Solar Power Private Limited	(3.66%)	(2,734.71)	(101.83%)	(529.41)	1.29%	9.93	(40.20%)	(519.48)
Renew Solar Energy Private Limited	0.74%	555.86	(40.83%)	(212.27)	8.46%	65.34	(11.37%)	(146.93)
Renew Solar Energy (Rajasthan) Private Limited	0.84%	628.20	(0.29%)	(1.49)	0.00%	-	(0.12%)	(1.49)
Renew Solar Energy (TN) Private Limited	(0.19%)	(145.07)	(9.89%)	(51.42)	0.00%	-	(3.98%)	(51.42)
Renew Solar Energy (Karnataka) Private Limited	0.56%	417.52	(9.36%)	(48.67)	0.00%	-	(3.77%)	(48.67)
Renew Akshay Urja Limited	1.06%	794.56	22.33%	116.07	7.95%	109.61	13.73%	177.45
Renew Solar Energy (Telangana) Private Limited	3.64%	2,721.20	24.82%	127.82	2.60%	39.41	11.54%	147.92
Renew Saur Urja Private Limited	2.88%	2,150.28	66.46%	345.49	7.55%	58.32	31.25%	403.81
Renew Clean Energy Private Limited	2.30%	1,716.93	13.12%	68.20	15.48%	119.55	14.53%	187.75
ReNew Solar Services Private Limited	0.02%	12.78	0.07%	0.34	0.00%	-	0.03%	0.34
ReNew Agni Power Private Limited	0.54%	401.35	9.26%	48.16	(0.14%)	(1.06)	3.64%	47.10
ReNew Mega Solar Power Private Limited	1.03%	770.71	28.44%	147.84	(0.27%)	(4.06)	11.28%	145.77
ReNew Saur Shakti Private Limited	3.38%	2,525.78	18.04%	93.81	2.23%	17.26	8.59%	111.07
Renew Sol Energy (Jharkhand One) Private Limited	1.62%	1,210.92	(2.04%)	(10.60)	0.00%	-	(0.82%)	(10.60)
ReNew Power Services Private Limited	(3.17%)	(2,369.35)	(55.25%)	(287.22)	(0.07%)	(0.51)	(22.27%)	(287.73)
Renew Sol Energy (Jharkhand Three) Private Limited	2.23%	1,664.50	(1.90%)	(9.86)	0.00%	-	(0.76%)	(9.86)
Renew Sol Energy (Jharkhand Four) Private Limited	1.93%	1,438.53	(1.92%)	(9.98)	0.00%	-	(0.77%)	(9.98)
Renew Sol Energy (Jharkhand Five) Private Limited	1.43%	1,068.26	(1.85%)	(9.62)	0.00%	-	(0.74%)	(9.62)
Renew Solar Energy (Karnataka Two) Private Limited	3.25%	2,426.51	(28.79%)	(149.67)	0.00%	-	(11.58%)	(149.67)
Renew Wind Energy (Karnataka 3) Private Limited	0.61%	457.54	22.16%	115.20	(0.45%)	(3.45)	8.65%	111.75
ReNew Wind Energy (MP Four) Private Limited	0.60%	448.89	3.47%	18.06	(1.14%)	(8.81)	0.72%	9.25
ReNew Wind Energy (MP Three) Private Limited	0.69%	517.17	7.12%	37.02	5.91%	45.69	6.40%	82.70
ReNew Wind Energy (Rajasthan Four) Private Limited	1.23%	917.10	3.97%	20.61	5.27%	40.72	4.75%	61.34
Renew Wind Energy (Maharashtra) Private Limited	0.60%	448.99	2.93%	15.25	7.78%	60.11	5.83%	75.36
Renew Wind Energy (Karnataka 4) Private Limited	0.44%	330.87	0.44%	2.30	0.32%	2.44	0.37%	4.75
Bhumi Prakash Private Limited	0.60%	445.15	0.17%	0.91	6.42%	49.59	3.91%	50.49
Tarun Kiran Bhoomi Private Limited	0.47%	348.36	(0.64%)	(3.33)	(0.38%)	(2.96)	(0.49%)	(6.29)
Renew Wind Energy (AP Five) Private Limited	0.03%	19.83	0.04%	0.23	0.00%	-	0.02%	0.23
Symphony Vyapaar Private Limited	1.26%	944.26	10.77%	55.98	0.00%	-	4.33%	55.98
Lexicon Vanijya Private Limited	1.26%	940.16	9.92%	51.56	0.00%	-	3.99%	51.56
Star Solar Power Private Limited	0.49%	365.35	2.04%	10.59	0.00%	-	0.82%	10.59
Sungold Energy Private Limited	0.51%	377.34	2.05%	10.67	0.00%	-	0.83%	10.67
Renew Wind Energy (Budh 3) Private Limited	2.84%	2,122.84	2.10%	10.91	(1.48%)	(11.41)	(0.04%)	(0.50)
ReNew Wind Energy (TN 2) Private Limited	4.70%	3,513.39	28.82%	149.81	26.46%	204.41	27.41%	354.45

(Amounts in INR millions, unless otherwise stated)

Name of the entity	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	0.18%	133.05	0.29%	1.51	0.00%	-	0.12%	1.51
ReNew Distributed Solar Energy Private Limited	0.21%	155.89	(0.25%)	(1.28)	0.00%	-	(0.10%)	(1.28)
ReNew Distributed Solar Power Private Limited	(0.04%)	(26.53)	(0.36%)	(1.87)	0.00%	-	(0.14%)	(1.87)
ReNew Surya Mitra Private Limited	0.00%	0.03	(0.02%)	(0.08)	0.00%	-	(0.01%)	(0.08)
ReNew Surya Prakash Private Limited	0.23%	168.55	1.40%	7.27	0.00%	-	0.56%	7.27
Renew Saur Vidyut Private Limited	0.41%	306.09	1.29%	6.71	0.00%	-	0.52%	6.71
SunSource Energy Services Private Limited	0.14%	101.65	1.05%	5.44	0.00%	-	0.42%	5.44
Renew Solar Sun Flame Private Limited	0.08%	63.38	0.00%	0.02	0.00%	-	0.00%	0.02
ReNew Solar Daylight Energy Private Limited	0.00%	0.00	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Vivasvat Solar Energy Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Nokor Solar Energy Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Akhilagya Solar Energy Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Abha Sunlight Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Izra Solar Energy Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Nokor Bhoomi Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
Zorya Solar Energy Private Limited	0.00%	2.49	(0.01%)	(0.06)	0.00%	-	(0.00%)	(0.06)
ReNew Transmission Ventures Private Limited	0.00%	0.05	(0.01%)	(0.05)	0.00%	-	(0.00%)	(0.05)
Adyah Solar Energy Private Limited	0.00%	0.05	(0.01%)	(0.05)	0.00%	-	(0.00%)	(0.05)
Ostro Energy Private Limited	2.56%	1,910.73	(59.27%)	(14.72)	0.00%	-	(23.84%)	(14.72)
Ostro Rann Wind Private Limited	0.01%	4.48	(0.08%)	(0.01)	0.00%	-	(0.03%)	(0.01)
Ostro Alpha Wind Private Limited	0.01%	5.42	(0.75%)	(0.07)	0.00%	-	(0.30%)	(0.07)
Ostro Bhesada Wind Private Limited	0.00%	0.25	(0.11%)	(0.01)	0.00%	-	(0.04%)	(0.01)
Ostro Dakshin Power Private Limited	7.25%	5,417.41	1.24%	0.11	0.00%	-	0.50%	0.11
Ostro Dhar Wind Private Limited	0.00%	0.03	(0.21%)	(0.02)	0.00%	-	(0.09%)	(0.02)
Ostro Kutch Wind Private Limited	6.84%	5,109.28	(7.24%)	(0.64)	0.00%	-	(2.91%)	(0.64)
Ostro Kannada Power Private Limited	0.00%	1.89	(0.25%)	(0.02)	0.00%	-	(0.10%)	(0.02)
Ostro Raj Wind Private Limited	0.01%	9.02	(0.10%)	(0.01)	0.00%	-	(0.04%)	(0.01)
Ostro Jaisalmer Private Limited	3.23%	2,413.44	29.60%	2.60	0.00%	-	11.91%	2.60
Ostro Madhya Wind Private Limited	5.40%	4,031.19	40.49%	3.56	0.00%	-	16.29%	3.56
Ostro Mahawind Power Private Limited	4.22%	3,150.43	28.32%	2.49	0.00%	-	11.39%	2.49
Ostro Anantapur Private Limited	6.66%	4,975.76	(15.07%)	(1.32)	0.00%	-	(6.06%)	(1.32)
Ostro Renewables Private Limited	1.45%	1,083.84	5.85%	0.51	0.00%	-	2.35%	0.51
AVP Powerinfra Private Limited	0.96%	718.14	2.74%	0.24	0.00%	-	1.10%	0.24
Badoni Power Private Limited	1.12%	834.29	0.94%	0.08	0.00%	-	0.38%	0.08
Ostro Andhra Wind Private Limited	5.91%	4,415.22	(11.16%)	(0.98)	0.00%	-	(4.49%)	(0.98)
Ostro AP Wind Private Limited	7.15%	5,337.04	(26.62%)	(2.34)	0.00%	-	(10.71%)	(2.34)
Ostro Urja Wind Private Limited	4.69%	3,504.60	6.94%	0.83	0.00%	-	2.79%	0.61
Total Subsidiaries	**94.09%**	**70,265.03**	**55.12%**	**300.31**	**91.51%**	**772.39**	**76.87%**	**1,007.15**
Minority Interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	0.04%	27.75	(5.22%)	(27.16)	0.00%	-	(2.10%)	(27.16)
Renew Wind Energy (AP) Private Limited	0.07%	51.29	1.77%	9.18	0.00%	-	0.71%	9.18
Renew Solar Energy (TN) Private Limited	0.00%	1.17	0.01%	0.03	0.00%	-	0.00%	0.03
Renew Solar Energy (Karnataka) Private Limited	0.56%	420.13	(6.76%)	(35.13)	0.00%	-	(2.72%)	(35.13)
Renew Akshay Urja Limited	1.74%	1,296.62	17.49%	90.91	6.24%	48.23	10.77%	139.14
Renew Solar Energy (Telangana) Private Limited	1.52%	1,138.20	15.44%	81.49	2.50%	19.31	7.70%	100.80
ReNew Mega Solar Power Private Limited	0.64%	479.15	19.28%	100.23	(0.26%)	(1.99)	7.60%	98.24
Total Minority	**4.57%**	**3,414.30**	**41.99%**	**219.55**	**8.49%**	**65.55**	**21.97%**	**285.10**
Entities under joint control								
Prathamesh Solarfarms Limited	0.66%	492.00	1.79%	0.03	0.00%	-	0.72%	0.03
Heramba Renewables Limited	0.22%	161.48	(0.07%)	(0.01)	0.00%	-	(0.03%)	(0.01)
Aalok Solarfarms Limited	0.12%	88.65	0.40%	0.03	0.00%	-	0.16%	0.03
Shreyas Solarfarms Limited	0.23%	170.32	0.40%	0.04	0.00%	-	0.16%	0.04
Abha Solarfarms Limited	0.12%	88.45	0.37%	0.03	0.00%	-	0.15%	0.03
Total Entities under joint control	**1.34%**	**1,000.90**	**2.89%**	**0.12**	**0.00%**	**-**	**1.16%**	**0.12**
Total	**100.00%**	**74,680.23**	**100.00%**	**519.98**	**100.00%**	**837.95**	**100.00%**	**1,292.37**

54 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain 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, Company is depreciating the assets bases on life as determined by an expert.

B) Estimates and assumptions:

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 42 and 44 for further disclosures.

55 Absolute amounts less than INR 5,000 are appearing in the financial statements as "0.00" due to presentation in millions.

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 16 July 2018

Sumant Sinha
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 16 July 2018

Arun Duggal
(Independent Director)
DIN- 00024262
Place: Gurugram
Date: 16 July 2018

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 16 July 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 16 July 2018

Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited)

We have audited the accompanying Interim Consolidated Financial Statements of ReNew Power Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the interim consolidated Balance Sheet as at 31 December 2017, the interim consolidated Statement of Profit and Loss, the interim consolidated Statement of Cash Flows and the interim consolidated Statement of Changes in Equity for the nine month period then ended, and a summary of the significant accounting policies and certain other explanatory information (together hereinafter referred to as the "Interim Consolidated Financial Statements").

Management's Responsibility for the Interim Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these Interim Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors is also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Interim Consolidated Financial Statements that give a true and fair view free from material misstatement, whether due to fraud or error.

Auditor's Responsibility on the Interim Consolidated Financial Statements

Our responsibility is to express an opinion on these Interim Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Interim Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Interim Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Interim Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Group's preparation of the Interim Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Group has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as

S.R. BATLIBOI & CO. LLP
GURUGRAM

well as evaluating the overall presentation of the Interim Consolidated Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Interim Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Interim Consolidated Financial Statements give a true and fair view in accordance with Ind AS 34 "Interim Financial Reporting" specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India of the state of affairs of the Group as at 31 December 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the nine month period then ended.

Other matter

We did not audit the interim financial statements and other financial information, in respect of 46 subsidiaries, whose interim financial statements include total assets of Rs. 87,579 million and net assets of Rs. 12,432 million as at 31 December 2017 and total revenues of Rs. 15,078 million and net cash outflows of Rs. 3,201 million for the nine months period then ended on that date. These interim financial statements and other financial information have been 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 Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

The accompanying Interim Consolidated Financial Statements have been prepared, and this report thereon issued, solely for the purpose of use by management of the Company in connection with its proposed initial public offer (IPO). Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

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

per **Amit Chugh**
Partner
Membership Number: 505224
Place of Signature: Gurugram

Date: 26 April 2018

ReNew Power Limited
Interim Consolidated Balance Sheet as at 31 December 2017
(Amounts in INR million, unless otherwise stated)

	Notes	As at 31 December 2017	As at 31 March 2017
Assets			
Non-current assets			
Property, plant and equipment	5	167,679.49	127,576.96
Capital work in progress	5	5,824.00	19,094.40
Goodwill	6	1,009.26	292.72
Intangible assets	6	3,261.44	1,175.03
Intangible assets under development	6	5.41	-
Financial assets			
Loans	7	81.91	21.87
Others	7	65.27	30.73
Deferred tax assets (net)	8 A	1,547.28	1,342.21
Prepayments	9	753.55	769.59
Other non-current assets	10	9,352.65	9,570.72
Total non-current assets		**189,580.26**	**159,874.23**
Current assets			
Inventories	11	37.68	13.64
Financial assets			
Investments	7	8,025.64	6.17
Trade receivables	12	8,916.38	4,840.72
Cash and cash equivalent	13	4,195.51	27,138.99
Bank balances other than cash and cash equivalent	13	9,768.92	4,507.46
Loan	7	16.26	0.12
Others	7	2,876.63	1,995.43
Prepayments	9	275.15	210.29
Other current assets	10	3,910.94	2,677.63
Total current assets		**38,023.11**	**41,390.45**
Total assets		**227,603.37**	**201,264.68**
Equity and liabilities			
Equity			
Equity share capital	14 A	3,383.87	3,383.62
Other equity			
Share application money pending allotment	15.1	-	-
Share premium	15.2	50,705.72	50,711.05
Capital reserve	15.3	113.98	113.98
Debenture redemption reserve	15.4	1,932.36	1,065.34
Hedging reserve	15.5	(639.70)	(978.18)
Share based payment reserve	15.6	918.43	536.13
Retained earnings	15.7	(754.50)	(1,114.18)
Equity attributable to owners of the parent		**55,660.16**	**53,717.76**
Non-controlling interests		3,339.51	3,126.32
Total equity		**58,999.67**	**56,844.08**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	16	136,146.20	102,445.97
Deferred government grant	17	272.77	11.79
Long-term provisions	18	22.66	24.68
Deferred tax liabilities (net)	8 B	1,366.58	359.51
Other non-current liabilities	19	1,370.43	967.88
Total non-current liabilities		**139,178.64**	**103,809.83**
Current liabilities			
Financial liabilities			
Short-term borrowings	20	8,090.45	16,575.43
Trade payables	21	4,103.58	2,394.77
Derivative instruments	22	1,879.64	2,243.60
Other current financial liabilities	23	14,836.49	18,279.13
Deferred government grant	17	11.71	0.09
Other current liabilities	24	374.38	1,039.25
Short term provisions	25	128.81	78.50
Total current liabilities		**29,425.06**	**40,610.77**
Total liabilities		**168,603.70**	**144,420.60**
Total equity and liabilities		**227,603.37**	**201,264.68**

Summary of significant accounting policies 4.2

The accompanying notes are an integral part of the Interim Consolidated Financial Statements

As per our report of even date

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

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

Chairman, Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 April 2018

Independent Director
(Arun Duggal)
DIN- 00024262
Place: Gurugram
Date: 26 April 2018

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 26 April 2018

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 April 2018

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 April 2018

ReNew Power Limited
Interim Consolidated Statement of Profit and Loss for the nine months period ended 31 December 2017
(Amounts in INR million, unless otherwise stated)

	Notes	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Income:			
Revenue from operations	26	18,925.02	9,970.85
Other income	27	2,124.14	1,832.35
Total income (i)		**21,049.16**	**11,803.20**
Expenses:			
Cost of raw material and components consumed	28	143.51	-
Employee benefits expense	29	622.20	287.41
Other expenses	30	2,224.01	1,359.43
Total expenses (ii)		**2,989.72**	**1,646.84**
Earning before interest, tax, depreciation and amortization (EBITDA) (i) - (ii)		**18,059.44**	**10,156.36**
Depreciation and amortization expense	31	5,105.36	2,699.58
Finance costs	32	10,823.38	5,332.44
Profit before tax		**2,130.70**	**2,124.34**
Tax expense			
Current tax		586.15	436.97
Deferred tax		141.97	(152.96)
Profit for the period	**(a)**	**1,402.58**	**1,840.33**
Other comprehensive income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		549.33	(1,808.66)
Income tax effect		(179.76)	561.64
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**(b)**	**369.57**	**(1,247.02)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss of defined benefit plan		9.05	(4.91)
Income tax effect		(2.83)	1.62
		6.22	(3.29)
Capital reserve on acquisition of subsidiaries (refer note 47)		-	76.69
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**(c)**	6.22	73.40
Other comprehensive income for the period, net of taxes	**(d) = (b) +(c)**	**375.79**	**(1,173.62)**
Total comprehensive income for the period, net of tax	**(a) + (d)**	**1,778.37**	**666.71**
Profit for the period			
Attributable to:			
Equity holders of the parent		1,222.28	1,615.19
Non-controlling interests		180.30	225.14
Total comprehensive income for the period			
Attributable to:			
Equity holders of the parent		1,629.16	691.71
Non-controlling interests		149.21	(25.00)
Earnings per share:			
(face value per share: INR 10)			
Basic attributable to equity shareholders of the parent	33	3.61	5.75
Diluted attributable to equity shareholders of the parent	33	3.54	5.39
Summary of significant accounting policies	4.2		

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

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 26 April 2018

Chairman, Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 April 2018

Independent Director
(Arun Duggal)
DIN- 00024262
Place: Gurugram
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Chief Financial Officer
(Ravi Seth)
Place: Gurugram
Date: 26 April 2018

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 April 2018

ReNew Power Limited
Interim Consolidated Statement of Changes in Equity for the nine months period ended 31 December 2017
(Amounts in INR million, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent										Non-Controlling Interests (NCI)	Total Equity
	Equity share capital	Equity Component of compulsorily convertible debentures	Share application money pending allotment	Reserves and surplus				Items of OCI		Total		
				Share premium	Share based payment reserve	Debenture redemption reserve	Retained earnings	Capital reserve on business combination	Hedging reserve			
	(refer note 14 A)	(refer note 14 B)	(refer note 15.1)	(refer note 15.2)	(refer note 15.6)	(refer note 15.4)	(refer note 15.7)	(refer note 15.3)	(refer note 15.5)			
At 1 April 2016	2,608.06	147.12	-	31,243.66	1,397.24	370.31	(742.11)	-	(130.86)	34,893.42	1,664.81	36,558.23
Profit for the year	-	-	-	-	-	-	335.20	-	-	335.20	171.12	506.32
Employee benefits remeasurement	-	-	-	-	-	-	(3.34)	-	-	(3.34)	-	(3.34)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	113.98	(847.32)	(733.34)	(55.53)	(788.87)
Total Comprehensive Income	-	-	-	-	-	-	**331.86**	**113.98**	**(847.32)**	**(401.48)**	**115.59**	**(285.89)**
Share application money received	-	-	18,817.34	-	-	-	-	-	-	18,817.34	-	18,817.34
Equity shares issued during the year	775.56	-	(18,815.14)	18,187.73	-	-	-	-	-	148.15	825.86	974.01
Amount utilized for issue of shares	-	-		(29.38)		-	-	-	-	(29.38)	-	(29.38)
Debentures converted into equity shares	-	(147.12)			-	-	-	-	-	(147.12)		(147.12)
Amount utilised on exercise of stock options	-	-	-	1,309.04	(1,309.04)	-	-	-	-	-	-	-
Issue of compulsory convertible debentures	-	511.16	-	-	-	-	-	-	-	511.16	-	511.16
Share-based payments	-	-	-	-	447.93	-	-	-	-	447.93	-	447.93
Share application pending for refund	-	-	(2.20)	-	-	-	-	-	-	(2.20)	-	(2.20)
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	-	(8.90)	-	-	(8.90)	8.90	-
Equity component of compulsorily convertible debentures attributable to NCI	-	(511.16)	-	-	-	-	-	-	-	(511.16)	511.16	-
Debenture redemption reserve	-	-	-	-	-	695.03	(695.03)	-	-	-	-	-
At 31 March 2017	**3,383.62**	-	-	**50,711.05**	**536.13**	**1,065.34**	**(1,114.18)**	**113.98**	**(978.18)**	**53,717.76**	**3,126.32**	**56,844.08**
Profit for the period	-	-	-	-	-	-	1,222.28	-	-	1,222.28	180.30	1,402.58
Employee benefits remeasurement	-	-	-	-	-	-	6.22	-	-	6.22	-	6.22
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	338.48	338.48	31.09	369.57
Total Comprehensive Income	-	-	-	-	-	-	**1,228.50**	-	**338.48**	**1,566.98**	**211.39**	**1,778.37**
Share-based payments	-	-	-	-	384.03	-	-	-	-	384.03	-	384.03
Share application money received	-	-	2.51	-	-	-	-	-	-	2.51	-	2.51
Amount utilised on exercise of stock options	-	-	-	1.73	(1.73)	-	-	-	-	-	-	-
Equity shares issued during the period	0.25	-	(2.51)	2.56	-	-	-	-	-	0.30	-	0.30
Amount utilized for issue of shares	-	-	-	(9.62)	-	-	-	-	-	(9.62)	-	(9.62)
Debenture redemption reserve	-	-	-	-	-	867.02	(867.02)	-	-	-	-	-
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	-	(1.80)	-	-	(1.80)	1.80	-
Equity component of compulsorily convertible debentures attributable to NCI	-	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2017	**3,383.87**	-	-	**50,705.72**	**918.43**	**1,932.36**	**(754.50)**	**113.98**	**(639.70)**	**55,660.16**	**3,339.51**	**58,999.67**

The accompanying notes are an integral part of the Interim 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: 26 April 2018

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

Chairman, Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 April 2018

Independent Director
(Arun Duggal)
DIN- 00024262
Place: Gurugram
Date: 26 April 2018

Chief Financial Officer
(Ravi Seth)
Place: Gurugram
Date: 26 April 2018

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 April 2018

ReNew Power Limited
Interim Consolidated Statement of Cash Flows for the nine months period ended 31 December 2017
(Amounts in INR million, unless otherwise stated)

Particulars	Period ended 31 December 2017	Period ended 31 December 2016
Cash flow from operating activities		
Profit before tax	2,130.70	2,124.34
Adjustments for:		
Depreciation/amortisation	5,105.36	2,699.58
Loss/(profit) on sale of Property plant & equipment	(1.21)	-
Capital work in progress written off	-	65.00
Government grant- viability gap funding	(8.42)	(0.20)
Deferred reveune	4.59	-
Share based payment	250.54	93.75
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	(3.85)	(40.21)
Operation and maintenance equalisation reserve	492.14	248.75
Amortization of option premium	-	15.68
Interest income	(804.20)	(749.22)
Advances written off	46.75	-
Unamortised ancillary borrowing cost written off	200.33	-
Interest expenses	10,268.86	5,540.09
Operating profit/(loss) before working capital changes	**17,681.59**	**9,997.56**
Movement in working capital		
(Increase)/decrease in trade receivables	(3,209.14)	(4,601.45)
(Increase)/decrease in inventories	(24.04)	-
(Increase)/decrease in other current financial assets	(824.83)	(495.24)
(Increase)/decrease in prepayments	(10.06)	(109.63)
(Increase)/decrease in other current assets	(1,220.35)	(1,721.75)
(Increase)/decrease in other non-current financial assets	(60.04)	10.76
(Increase)/decrease in other non-current assets	107.32	(30.72)
(Increase)/decrease in trade payables	1,708.49	1,027.39
Increase/(decrease) in other current financial liabilities	1.01	0.99
Increase/(decrease) in other current liabilities	(761.88)	(1.64)
Increase/(decrease) in provisions	(36.56)	31.64
Cash generated from operations	**13,351.51**	**4,107.91**
Direct taxes paid (net of refunds)	(612.14)	(450.05)
Net cash generated from operating activities	**12,739.37**	**3,657.86**
Cash flow from investing activities		
Purchase of property, plant & equipment including capital work in progress, capital creditors and capital advances	(40,702.10)	(36,739.33)
Investments of bank deposits having residual maturity more than 3 months	(15,576.84)	(37,886.25)
Redemption of bank deposits having residual maturity more than 3 months	10,474.21	44,321.11
Investment in mutual funds (made)/redeemed (net)	(8,019.47)	-
Purchase consideration paid	(4,349.36)	(1,131.70)
Interest received	757.64	840.20
Net cash used in investing activities	**(57,415.93)**	**(30,595.97)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium net of share issue expenses))	(6.80)	5,018.73
Share application money refunded	(2.20)	-
Government grant received	281.03	12.41
Proceeds from long-term borrowings	51,721.71	26,200.46
Repayment of long-term borrowings	(12,887.11)	(4,190.26)
Proceeds/(repayment) from short-term borrowings (net)	(8,484.98)	7,301.26
Interest paid	(8,888.39)	(4,293.31)
Net cash generated from financing activities	**21,733.26**	**30,049.29**
Net (decrease) / increase in cash and cash equivalents	**(22,943.29)**	**3,111.18**
Cash and cash equivalents at the beginning of the year	**27,138.80**	**3,631.37**
Cash and cash equivalents at the end of the year	**4,195.51**	**6,742.55**
Components of cash and cash equivalents		
Cash and cheques on hand	0.42	0.35
Balances with banks:		
- On current accounts	1,569.31	2,282.04
- On deposit accounts with original maturity of less than 3 months	2,625.78	4,460.16
Total cash and cash equivalents (note 13)	**4,195.51**	**6,742.55**

Notes:
1. The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 "Cash Flow Statement".

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: 26 April 2018

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

Chairman, Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 April 2018

Independent Director
(Arun Duggal)
DIN- 00024262
Place: Gurugram
Date: 26 April 2018

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 April 2018

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 April 2018

1 General information

ReNew Power Limited ('the Company') (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limtied') is a public limited company domiciled in India. The Company was converted into a public company with effect from 17 April 2018 and consequently the name of the Company has changed from ReNew Power Private Limted to ReNew Power Limited. The registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.
The Parent and its subsidiaries (hereinafter collectively referred to as 'the Group') are carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Interim Consolidated Financial Statements of the Group were authorised for issue by the Group's Board of Directors on 26 April 2018.

2 Purpose of Interim Consolidated Financial Statements

The Interim Consolidated Financial Statements of the Group have been prepared specifically for use by management in connection with its proposed Initial Public Offering (IPO) of its equity shares.

3 Basis of preparation

The Interim Consolidated Financial Statements for the nine months period ended 31 December 2017 have been prepared in accordance with Ind AS 34 "Interim Financial Reporting".
The Interim Consolidated Financial Statements are prepared in accordance with Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended . The Interim Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention issued thereunder and other accounting principles generally accepted in India.

These Interim Consolidated Financial Statements have been prepared using presentation and disclosure requirements of the Schedule III of the Companies Act 2013.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Derivative financial instruments
- Financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The accounting policies and estimates adopted in the preparation of Interim Consolidated Financial Statements are consistent with those used in the annual financial statements for the year ended 31 March 2017.

4.1 Principles of consolidation

The Interim Consolidated Financial Statements comprise the financial statements of the Group as at 31 December 2017. 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 arrangement 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.

Interim 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 Interim 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 Interim 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 the parent Company, i.e., nine months ended on 31 December 2017. 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 intragroup 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 fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- 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
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- 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.

4.2 Summary of Significant Accounting Policies

a) Business Combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment (refer note 47).

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.

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 Payments 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.

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 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 profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. 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, 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 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 recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) 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.

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

All other liabilities are classified as non-current.

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

c) Customer contracts

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

d) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the 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 in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 40 and 41)

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.

For assets and liabilities that are recognised in the 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.

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 48)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 41)
· Financial instruments (including those carried at amortised cost) (Refer Note 40 and 42)

e) Revenue recognition

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

Sale of Power

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

Income from Engineering Procurement and Construction ("EPC") Contracts

Revenue from provision of supply under EPC contracts is recognised when all significant risks and rewards of ownership of the EPC contract have been passed to the buyer.

Revenue from provision of service is recognized 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 recognized on percentage of completion method and losses are accounted as soon as these are anticipated. However, profit is not recognized unless there is reasonable progress on the contract. 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.

Liquidated damages / penalties are provided for based on management's assessment of the estimated liability as per contractual terms and / or acceptances. Possible liquidated damages which can be levied by customers for delay in execution of project are accounted for as and when they are levied by the customer.

Sale of Reduction Emission Certificates (RECs)

Income from sale of RECs is recognised on sale of these certificates.

Income from liquidated damages, compensation for loss of revenue and interest on advances

Income from liquidated damages, compensation for loss of revenue and interest on advance is recognised after certainty of receipt of the same is established.

Dividend

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

Interest income

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

Income from government grants

Refer note (h) for accounting policy.

f) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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

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 other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

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

Deferred tax 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. 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 recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

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

Minimum Alternate Tax

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

h) Government grants

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

When the 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 and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive
Generation based incentive is recognized on the basis of supply of units generated by the 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".

Sale of Emission Reduction Certificates
Income from sale of Emission Reduction Certificates are recognised on actual sale due to uncertainty of market.

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 fulfillment of the underlying conditions as deferred government grant. Such deferred grant is recognized over the period of useful life of underlying asset.

i) Property, plant and equipment

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

Subsequent Costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the 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 Special Purpose Interim Statement of Profit and Loss as and when incurred.

As permitted by Ind AS 101 First-time Adoption of Indian Accounting Standards, the Group has continued to apply paragraph 46A of AS 11. The Effects of changes in Foreign Exchange Rates under Indian GAAP.

Accordingly, the Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group do not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Special Purpose Interim Statement of Profit and Loss when the asset is derecognized.

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

j) Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

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

k) Depreciation/amortization of PPE
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Years
Plant and equipment (solar rooftop projects)*	25 years or terms of power purchase agreement, whichever is less (15-25 years)
Plant and equipment (wind & solar power projects)*	18-25
Plant and equipment (others)	5-18
Office equipment	5
Furniture and fixture	10
Computers	3
Computer servers	6
Computer softwares	3-6
Leasehold improvements	Over the period of lease i.e. 8

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

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

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

m) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

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

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

o) 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 period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

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

p) Share based payments

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

Equity-settled transactions

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

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

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the 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 recognized for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met. Where awards include a market or non-market condition, the transaction are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service condition are satisfied.

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

q) 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 recognize contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

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

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

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

The 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 year-end carried out using the projected unit cost method. Remeasurements comprising of actuarial gain and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. 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.

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 consolidated Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

r) 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 and Loss net of any reimbursement.

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

s) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

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

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

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

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

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

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

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

Equity investments

All other 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 recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- 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 companies under the Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the 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 on all the financial assets and credit risk exposure.

The Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the 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.

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

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

Financial liabilities

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

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

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

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

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

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

The 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.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

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

Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

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

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

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

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

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

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

t) Derivative financial instruments and hedge accounting

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged 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 the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

(i) 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 Special Purpose Interim Statement of Profit and Loss.

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

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

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

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

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

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

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

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

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

x) 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.

y) Earnings per equity share
Basic 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 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 issue data later date. Dilutive potential equity shares are determined independently for each period presented.

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

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

z) Standards issued but not yet effective
In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2018, notifying new accounting standard Ind AS 115, 'Revenue from Contracts with Customers' and certain amendments to existing standards. The new standard and amendments are applicable to the Group from 1 April 2018.

Ind AS 115 Revenue from Contracts with Customers
Revenue from contracts with Customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The Group is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated, thus impact is not known.

Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.
Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.
These amendments are effective for annual periods beginning on or after 1 April 2018. However, since the Group's current practice is in line with the amendment, the Group does not expect any effect on its consolidated financial statements.

Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.
Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:
(i) The beginning of the reporting period in which the entity first applies the Appendix, or
(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.
The Appendix is effective for annual periods beginning on or after 1 April 2018. The Group is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated, thus impact is not known.

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

(Amounts in INR million, unless otherwise stated)

5 Property, plant and equipment

	Freehold Land#	Building	Plant and equipment	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost									
At 1 April 2016	1,684.79	1.82	62,181.21	51.89	11.69	0.61	10.77	63,942.78	13,375.06
Additions	3,095.40	-	64,404.40	3.21	6.41	0.69	14.03	67,524.14	69,229.30
Acquistion of a subsidiary (refer note 47)	31.80	62.02	1,937.13	-	-	-	-	2,030.95	3,545.43
Disposals**	-	-	(0.80)	-	(0.87)	-	(0.88)	(2.55)	(2,469.62)
Adjustments*	-	-	(41.10)	-	-	-	-	(41.10)	(181.33)
Capitalised during the year	-	-	-	-	-	-	-	-	(64,404.44)
At 31 March 2017	**4,811.99**	**63.84**	**128,480.84**	**55.10**	**17.23**	**1.30**	**23.92**	**133,454.22**	**19,094.40**
Additions during the period^	973.93	-	37,247.10	1.44	5.35	1.79	15.58	38,245.19	24,364.63
Acquistion of a subsidiary (refer note 47)	200.65	-	6,817.76	-	-	-	-	7,018.41	-
Disposals**	-	-	(2.26)	-	(0.06)	-	(0.72)	(3.04)	(188.78)
Adjustments*	(5.51)	-	(109.98)	-	-	-		(115.49)	(198.07)
Capitalised during the period	-	-	-	-	-	-	-	-	(37,248.18)
At 31 December 2017	**5,981.06**	**63.84**	**172,433.46**	**56.54**	**22.52**	**3.09**	**38.78**	**178,599.29**	**5,824.00**
Depreciation									
At 1 April 2016	-	**0.70**	**2,066.13**	**3.81**	**2.18**	**0.19**	**3.02**	**2,076.03**	-
Charge for the year	-	7.78	3,779.46	6.10	3.70	0.20	5.53	3,802.77	-
Disposals	-	-	-	-	(0.73)	-	(0.81)	(1.54)	-
At 31 March 2017	-	**8.48**	**5,845.59**	**9.91**	**5.15**	**0.39**	**7.74**	**5,877.26**	-
Charge for the period (refer note 31)	-	2.45	5,025.75	4.71	2.99	0.26	7.34	5,043.50	-
Disposals	-	-	(0.37)	-	(0.00)	-	(0.59)	(0.96)	-
At 31 December 2017	-	**10.93**	**10,870.97**	**14.62**	**8.14**	**0.65**	**14.49**	**10,919.80**	-
Net book value									
At 31 March 2017	**4,811.99**	**55.36**	**122,635.25**	**45.19**	**12.08**	**0.91**	**16.18**	**127,576.96**	**19,094.40**
At 31 December 2017	**5,981.06**	**52.91**	**161,562.49**	**41.92**	**14.38**	**2.44**	**24.29**	**167,679.49**	**5,824.00**

Mortgage and hypothecation on Property, plant & equipment:

Property, plant & equipment are subject to a pari passu first charge to respective lenders for senior secured bonds, project term loans, buyer's/supplier's credit and acceptances as disclosed in Note 16 and Note 20.

^ Capitalised borrowing costs

The amount of borrowing costs capitalised in Property, plant & equipment during the period ended 31 December 2017 was INR 325.36 (31 March 2017 INR 1,076.02). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

#The title represented by sale deeds in respect of land amounting to INR 189.87 (31 March 2017 INR 515.13) is not yet in the name of the Group. Further, the title of land amounting to INR 1,113.02 (31 March 2017 INR 884.10) is held by way of General Power of Attorney (GPA) and the Company is in the process of getting title transferred in its name.

***Adjustment to Property, Plant & Equipments during the period are as follows**

Freehold Land
Adjustment of INR 5.51 (31 March 2017: Nil) during the period pertains to actualisation of provisional capitalization.

Plant and equipment
Adjustment of INR 39.92 (31 March 2017: INR 20.12) pertains to revision of agreement and discount received from vendor.
Adjustment of INR 69.92 (31 March 2017: INR 21.02) pertains to actualisation of provisional capitalization of supply of goods and services and early closure of letter of credits.

Capital work in progress
Capital work in progress amounting to INR Nil (31 March 2017: INR 40.92) has been written off to the extent of non-viability of recovery of cost in future.
Adjustment of INR 198.07 (31 March 2017: INR 139.11) during the period pertains to actualisation of provisional capitalization.

**** Disposals in Capital Work in Progress includes following**

During the period, pursuant to downsizing of the contract with vendor for Mandsaur Project, Group has sold back project specific wind power plant related equipments lying in CWIP upto 31 March 2017 for INR 181.11 to the vendor and other various disposals of CWIP during the period amounts to INR 7.67.

During the previous year, pursuant to cancellation of contract with the vendor for Dangri II- Rajasthan project and Pethshivpur project, Group sold back project specific wind power plant related equipments lying in CWIP upto 31 March 2016 for INR 2,463.21 to the vendor. There was no impact on the statement of Profit and Loss on account of such settlement.

(Amounts in INR million, unless otherwise stated)

6 Intangible assets

Intangible assets	Computer software	Customer Contracts	Development Rights	Total Intangibles	Goodwill	Intangible asset under development
Cost						
At 1 April 2016	50.90	-	-	50.90	22.66	-
Additions	23.02	-	-	23.02	-	-
Acquistion of a subsidiary (refer note 47)	-	1,099.22	36.00	1,135.22	270.06	-
Capitalised during the year	-	-	-	-	-	-
At 31 March 2017	**73.92**	**1,099.22**	**36.00**	**1,209.14**	**292.72**	**-**
Additions during the period	35.47	-	-	35.47	-	5.41
Acquistion of a subsidiary (refer note 47)	-	2,112.80	-	2,112.80	716.54	-
Capitalised during the period	-	-	-	-	-	-
At 31 December 2017	**109.39**	**3,212.02**	**36.00** -	**3,357.41**	**1,009.26**	**5.41**
At 1 April 2016	9.06	-	-	9.06	-	-
Amortisation	11.61	13.43	0.01	25.05	-	-
At 31 March 2017	**20.67**	**13.43**	**0.01**	**34.11**	**-**	**-**
Amortisation (refer note 31)	13.41	47.37	1.08	61.86	-	-
At 31 December 2017	**34.08**	**60.80**	**1.09**	**95.97**	**-**	**-**
Net book value						
At 31 March 2017	**53.25**	**1,085.79**	**35.99**	**1,175.03**	**292.72**	**-**
At 31 December 2017	**75.31**	**3,151.22**	**34.91**	**3,261.44**	**1,009.26**	**5.41**

(Amounts in INR million, unless otherwise stated)

7 Financial assets		31 December 2017	31 March 2017
Non-current (unsecured, considered good unless otherwise stated)			
Loans			
Security deposits		81.91	21.87
		81.91	**21.87**
Others			
Bank deposits with remaining maturity for more than twelve months (refer note 13)		65.27	30.73
Total		**65.27**	**30.73**
Current (unsecured, considered good unless otherwise stated)		`	
Financial assets at fair value through Profit and Loss			
Investments			
Quoted mutual funds:			
L&T Liquid Fund- Growth - Nil units (31 March 2017 : 621 units)		-	1.68
DHFL Pramerica Low Duration Fund - 209,009 units (31 March 2017 : 209,009 units)		4.50	4.49
Aditya Birla Sun Life Cash Plus - Growth Direct Plan - 15,944,409 units (31 March 2017 : Nil units)		4,375.86	-
HDFC Liquid fund - Direct Plan - Growth Option - 765,760 units (31 March 2017 : Nil units)		2,577.63	-
ICICI Prudential Liquid - Direct Plan - Growth Fund - 3,462,443 units (31 March 2017 : Nil units)		874.71	-
SBI Dynamic Bond Fund - Regular Plan - Growth - 7,283,846 units (31 March 2017 : Nil units)		192.94	-
Total		**8,025.64**	**6.17**
Aggregate book value of quoted investments		8,025.64	6.17
Aggregate market value of quoted investments		8,025.64	6.17
Loans			
Security deposits		16.26	0.12
		16.26	**0.12**
Others			
Unbilled revenue		2,453.22	1,883.23
Interest accrued on fixed deposits		142.61	104.96
Insurance claim receivable		-	7.24
Government grant receivable			
- viability gap funding		280.80	-
Total		**2,876.63**	**1,995.43**

Investments at fair value through Profit and Loss reflect investments in quoted mutual funds. Refer note 40 for determination of their fair values.

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.

8 A Deferred tax assets (net)		31 December 2017	31 March 2017
Deferred tax relates to the following:			
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		220.70	399.25
Re-measurement of losses on defined benefits plan		2.40	1.99
	(a)	**223.10**	**401.24**
Deferred tax liabilities (gross)			
Re-measurement losses on defined benefit plans		3.33	-
Loss on mark to market of derivative instruments		0.04	-
	(b)	3.37	-
Deferred tax related to items recognised in equity:			
Deferred tax assets (gross)			
Compound Financial Instruments		113.35	131.45
	(c)	113.35	131.45
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Unamortized ancillary borrowing cost		22.29	7.34
Change in fair value of investments		3.32	-
Difference in written down value as per books of account and tax laws		5,960.22	545.73
	(d)	**5,985.83**	**553.07**

(Amounts in INR million, unless otherwise stated)

Deferred tax assets (gross)			
Operation and maintenance		48.08	43.47
Preliminary expenses not written off under tax laws		1.49	-
Compound Financial Instruments		19.27	15.24
Unused tax credit (MAT)		538.55	376.62
Losses available for offsetting against future taxable income		6,583.46	906.59
Others		9.18	20.67
	(e)	**7,200.03**	**1,362.59**
	(f) = (e) - (d)	**1,214.20**	**809.52**
Deferred tax assets (net)	**(a) - (b) + (c)+ (f)**	**1,547.28**	**1,342.21**

8 B Deferred tax liabilities (net)

Deferred tax relates to the following:		**31 December 2017**	**31 March 2017**
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		68.94	64.36
	(g)	**68.94**	**64.36**
Deferred tax liabilities (gross)			
Loss on mark to market of derivative instruments		**5.74**	-
	(h)	**5.74**	-

Deferred tax related to items recognised in equity:		**31 December 2017**	**31 March 2017**
Deferred tax assets (gross)			
Compound Financial Instruments		18.10	-
	(i)	**18.10**	-

Deferred tax related to items recognised in statement of profit and loss:		**31 December 2017**	**31 March 2017**
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		3,617.30	732.72
Unamortised ancillary borrowing cost		2.61	3.49
Change in fair value of investments		1.43	20.13
Busniess combination		513.06	-
	(j)	**4,134.40**	**756.34**
Deferred tax assets (gross)			
Operation and maintenance		66.73	12.01
Unused tax credit (MAT)		535.78	266.00
Losses available for offsetting against future taxable income		1,855.99	31.18
Share based payment reserve		193.35	-
Compound Financial Instruments		24.24	(0.00)
Others		10.43	23.28
	(k)	**2,686.52**	**332.47**
	(l) = (j) - (k)	**1,447.88**	**423.87**
Deferred tax liabilities (net)	**(l) + (h) - (i) - (g)**	**1,366.58**	**359.51**

a) **At India's applicable statutory income tax rate i.e. Minimum Alternate Tax / Corporate Income Tax plus applicable Surcharge rate (7% to 12 %) and Cess (3%) for 31 December 2017 and 31 December 2016:**

	31 December 2017	**31 December 2016**
Accounting profit before income tax	**2,130.70**	**2,459.53**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	743.79	468.71
Adjustments in respect of current income tax of earlier years		
Deferred tax expense reported in the statement of profit and loss*	141.97	(152.96)

(Amounts in INR million, unless otherwise stated)

Non-deductible expenses for tax purposes:		
Operating and maintenance expenses equalized	4.02	
Amortization of Ancillary Borrowing Costs	40.77	
Interest on compound financial instrument	(7.34)	
Depreciation and amortization expense (net)	-	-
Other non deductible expenses	3.47	8.82
Deductible expenses for tax purposes:		
Brought forward losses / unabsorbed depreciation	-	(5.98)
Depreciation and amortization expense (net)	(28.39)	-
Others	(93.97)	(30.83)
Income Chargeable to Tax:		
Increase/(Decrease) in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	(76.20)	(3.75)
At the effective income tax rate	**728.12**	**284.01**
Current tax expense reported in the statement of profit and loss	586.15	436.97
Deferred tax expense reported in the statement of profit and loss	141.97	(152.96)
	728.12	**284.01**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	(7,124.14)	(146.58)
Preliminary expenses not written off under tax laws	2.77	
Operation and maintenance	(60.44)	(29.63)
Unused tax credit (MAT)	(516.00)	(646.69)
Difference in WDV as per books of accounts and tax laws	8,014.35	660.43
Share based payment reserve	(193.35)	-
Business combination	16.65	-
Compound Financial Instruments	(10.42)	(5.20)
Others	12.55	14.74
	141.97	**(152.93)**

Reconciliation of deferred tax assets (net):

	31 December 2017	31 March 2017
Opening balance of DTA/DTL (net) on	**982.39**	**579.20**
Deferred tax income/(expense) during the period recognised in profit or loss	(141.97)	(67.73)
Deferred tax income/(expense) during the period recognised in OCI	(182.58)	408.10
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	115.53
Deferred tax income/(expense) during the period due to business combination	(477.20)	(52.71)
Closing balance of DTA/DTL (net)	**180.64**	**982.39**

The group has tax losses and unabsorbed depreciation which arose in India of INR 37,162.53 (31 March 2017: INR 10,707.00)
Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 4,631.79 (31 March 2017: INR 566.00). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 32,530.74 (31 March 2017: INR 10,141.00).

The group has recognised deferred tax asset of INR 8454.42, (31 March 2017: INR 938) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

The expiry period for the Minimum alternate tax recoverable as on 31 December 2017 is 13-15 years (31 March 2017 :- 13-15 years)

9 Prepayments	31 December 2017	31 March 2017
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	753.55	769.59
Total	**753.55**	**769.59**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	275.15	210.29
Total	**275.15**	**210.29**

(Amounts in INR million, unless otherwise stated)

10 Other assets	**31 December 2017**	**31 March 2017**
Non-current (unsecured, considered good unless otherwise stated)		
Capital advance	8,210.55	8,351.97
Advances recoverable	18.60	252.37
Balances with government authorities	59.69	-
Advance income tax (net of income tax provisions)	846.60	769.53
Deferred rent	26.74	8.19
Maharashtra VAT recoverable	172.13	154.25
Security deposits	18.34	34.41
Total	**9,352.65**	**9,570.72**

Current (unsecured, considered good unless otherwise stated)	**31 December 2017**	**31 March 2017**
Balances with government authorities	248.68	44.03
Advances recoverable	2,926.62	2,084.82
Deferred rent	6.78	1.87
Government grants*		
- Generation based incentive receivable	706.83	546.51
Others	22.03	0.40
Total	**3,910.94**	**2,677.63**

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

11 Inventories	**31 December 2017**	**31 March 2017**
Consumables and Spares	37.68	13.64
Total	**37.68**	**13.64**

12 Trade receivables	**31 December 2017**	**31 March 2017**
Unsecured, considered good unless stated otherwise	8,916.38	4,840.72
Total	**8,916.38**	**4,840.72**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

13 Cash and cash equivalents	**31 December 2017**	**31 March 2017**
Cash on hand	0.42	0.02
Balance with bank		
- On current accounts	1,569.31	8,169.97
- Deposits with original maturity of less than 3 months*	2,625.78	18,968.81
	4,195.51	**27,138.80**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months*	9,768.92	4,507.46
- Remaining maturity for more than twelve months*	65.27	30.73
	9,834.19	**4,538.19**
Less: amount disclosed under financial assets (others) (Note 7)	(65.27)	(30.73)
Total	**9,768.92**	**4,507.46**

*Fixed deposits of INR 1,519.93 (31 March 2017: INR 1,191.95) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and fixed deposit of INR 3,584.76 (31 March 2017: INR 3,032.01) has been given to banks as margin money for the purpose of letter of credit/bank guarantee.

The bank deposits have an original maturity period of 7 days to 1847 days and carry an interest rate of 5.40% - 8.50% which is receivable on maturity.

(Amounts in INR million, unless otherwise stated)

14 Share capital

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2016	300,000,000	3,000.00
Increase during the year	70,000,000	700.00
At 31 March 2017	370,000,000	3,700.00
Increase during the period	-	-
At 31 December 2017	**370,000,000**	**3,700.00**

Issued share capital

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

	Number of shares	**Amount**
At 1 April 2016	263,738,098	2,608.06
Shares issued during the year*	74,623,574	775.56
At 31 March 2017	338,361,672	3,383.62
Shares issued during the period	25,100	0.25
At 31 December 2017	**338,386,772**	**3,383.87**

* includes INR 28.63 million for equity shares issued during FY 2015-16, against full & final call of INR 7.5 per share.

	Fully paid up shares		**Partly paid up shares**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at 1 April 2016	259,921,304	2,599.01	3,816,794	9.04
As at 31 March 2017	338,361,672	3,383.62	-	-
As at 31 December 2017	338,386,772	3,383.87	-	-

Terms/rights attached to equity shares

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

In the event of liquidation of a Company, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective Company, after distribution of all preferential amounts. The distribution will be in proportion to the face value paid up and number of equity shares held by the shareholders of the respective Company.

14 B Equity component of compulsory convertible debentures (CCD)

	Number of debentures	**Total proceeds**	**Liability component (refer note 16)**	**Equity component***
At 1 April 2016	20,367,757	825.81	128.57	147.12
Debentures issued during the year	7,749,530	813.40	415.48	511.16
Debentures converted into Equity shares	(14,712,000)	(147.12)	-	(147.12)
Accretion during the year	-	-	42.66	-
Attributable to Non controlling interests	-	-	-	(511.16)
At 31 March 2017	13,405,287	1,492.09	586.71	-
Accretion during the period	-	-	51.23	-
At 31 December 2017	**13,405,287**	**1,492.09**	**637.94**	**-**

(*Adjusted for deferred tax at inception)

Terms of conversion of CCDs

ReNew Power Limited

Compulsory Convertible Debentures (CCD) are redeemable by compulsory conversion into equity shares based on the service condition which is dependent on the number of months for which the debenture holder is in service at the Company from September 22, 2011 on a pro-rata basis upto maximum of 60 months. Further the conversion is also dependent on performance condition which is based on the enterprise value of the capital contributed. The conversion would happen at earliest of the following three events:

- the end of ten years from the date of issue, viz., September 23, 2011,
- filing of prospectus by the Company with the Registrar of Companies or
- on the decision of the Holding Company 'GS Wyvern Holding Ltd.'.

These CCD have subsequently been converted into 8,853,353 shares during financial year end 31 March 2017.

These CCD carry a non - cumulative interest coupon rate of 0.001% per annum on its face value. These CCD's do not have any voting right and are not entitled to any dividend on the underlying shares as long as they are not converted into equity shares. Closing balance as on 31 December 2017 is INR Nil (31 March 2017: INR 147.02).

ReNew Solar Energy (Karnataka) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.

CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2017 is INR 178.70 (31 March 2017: INR 178.70)

ReNew Akshay Urja Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., June 17, 2035 or in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.

CCD carry an interest coupon rate of 0.01% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2017 is INR 499.99 (31 March 2017: INR 499.99)

(Amounts in INR million, unless otherwise stated)

ReNew Solar Energy (Telangana) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2017 is INR 619.88 (31 March 2017: INR 619.88)

ReNew Mega Solar Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 December 2017 is INR 193 (31 March 2017: INR 193.82)

14 C Shares held in the Company

	31 December 2017		31 March 2017	
	Number of shares	**Amount**	**Number of shares**	**Amount**
GS Wyvern Holding Ltd, the holding company (upto 22 March 2018)	184,709,600	1,847.10	184,709,600	1,847.10

No shares are held by any subsidiary or associate of the holding company.

14 D Details of shareholders holding more than 5% shares in the Company

	31 December 2017		31 March 2017	
	Number	**% Holding**	**Number**	**% Holding**
GS Wyvern Holding Ltd, the holding company (upto 22 March 2018)	184,709,600	54.59%	184,709,600	54.59%
Green Rock B 2014 Limited (Formerly known as Green Rock A 2014 Limited)	60,487,804	17.88%	60,487,804	17.88%
JERA Power RN B.V.	34,411,682	10.17%	34,411,682	10.17%
Asian Development Bank	22,837,015	6.75%	22,837,015	6.75%

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

14 E 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.

15 Other equity

15.1 Share application money pending allotment

At 1 April 2016	-
Share application money received	18,817.34
Equity shares issued during the year	(18,815.14)
	2.20
Less: amount disclosed under "other current financial liabilities" (refer note 23)	(2.20)
At 31 March 2017	-
Share application money received	2.51
Equity shares issued during the period	(2.51)
At 31 December 2017	-

15.2 Share premium

At 1 April 2016	31,243.66
Premium on issue of equity shares during the year	18,187.73
Amount transferred from share based payment reserve on conversion	1,309.04
Amount utilized against issue of equity shares	(29.38)
At 31 March 2017	**50,711.05**
Premium on issue of equity shares during the period	2.56
Amount transferred from share based payment reserve on conversion	1.73
Amount utilized against issue of equity shares	(9.62)
At 31 December 2017	**50,705.72**

15.3 Capital reserve

At 1 April 2016	-
Additions during the year (refer note 47)	113.98
At 31 March 2017	**113.98**
Additions during the period	-
At 31 December 2017	**113.98**

15.4 Debenture redemption reserve

At 1 April 2016	370.31
Amount transferred from surplus balance in retained earnings	695.03
At 31 March 2017	**1,065.34**
Amount transferred from surplus balance in retained earnings	867.02
At 31 December 2017	**1,932.36**

15.5 Hedging reserve

At 1 April 2016	(130.86)
Gain/(Losses) arising during the year on cash flow hedges (Refer note 46)	(902.85)
Attributable to Non-controlling interests	55.53
At 31 March 2017	**(978.18)**
Gain/(Losses) arising during the period on cash flow hedges (Refer note 46)	369.57
Attributable to Non-controlling interests	(31.09)
At 31 December 2017	**(639.70)**

(Amounts in INR million, unless otherwise stated)

15.6	**Share based payment reserve**	
	At 1 April 2016	1,397.24
	Expense for the year	447.93
	Amount utilised on exercise of stock options	(1,309.04)
	At 31 March 2017	**536.13**
	Expense for the period	384.03
	Amount utilised on exercise of stock options	(1.73)
	At 31 December 2017	**918.43**
15.7	**Retained earnings**	
	At 1 April 2016	(742.11)
	Profit for the year	335.20
	Adjustments for acquisition of interest by NCI in subsidiaries	(8.90)
	Re-measurement losses on defined benefit plans (net of tax)	(3.34)
	Appropriation for debenture redemption reserve	(695.03)
	At 31 March 2017	**(1,114.18)**
	Profit for the period	1,222.28
	Adjustments for acquisition of interest by NCI in subsidiaries	(1.80)
	Re-measurement losses on defined benefit plans (net of tax)	6.22
	Appropriation for debenture redemption reserve	(867.02)
	At 31 December 2017	**(754.50)**

(Amounts in INR million, unless otherwise stated)

16 Long-term borrowings	Nominal rate of interest	Maturity	Non-current		Current	
			31 December 2017	31 March 2017	31 December 2017	31 March 2017
Debentures						
- Non Convertible Debentures (secured)	8.65% - 12.16%	August 2034	48,527.42	20,797.54	957.54	152.74
- Compulsory Convertible Debentures (unsecured)	0.01% - 11.00%	September 2036	637.94	586.71	-	-
Term loan in Indian rupees from bank (secured)	8.56% - 11.40%	July 2040	32,338.46	15,680.88	758.78	412.13
Term loan in Indian rupees from financial institutions (secured)	10.00% - 11.25%	October 2036	14,007.61	18,537.39	776.19	1,179.81
Bonds (secured)	10.63%	February 2022	31,611.17	31,151.05	-	-
Buyer's / Supplier's credit (secured)			9,023.60	15,692.40	4,581.61	-
Total long-term borrowings			**136,146.20**	**102,445.97**	**7,074.12**	**1,744.68**
Amount disclosed under the head "Other current financial liabilities" (refer note 23)			-	-	(7,074.12)	(1,744.68)
Net long-term borrowings			**136,146.20**	**102,445.97**	**-**	**-**

Notes:

Details of Security

Non convertible debentures (secured)

The debentures are secured by way of first pari passu charge on the Company's 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.

Bonds

Senior Secured Bonds 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.

Term loan in Indian rupees 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 all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

Term loan in Indian rupees from financial institutions (Secured)

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

Buyer's/ Supplier's credit (secured)

Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Compulsorily convertible debentures (Unsecured)

Compulsory 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.

(Amounts in INR million, unless otherwise stated)

17 Deferred governement grant

	31 December 2017	31 March 2017
Received	292.90	12.11
Released to the statement of profit and loss	(8.42)	(0.32)
Total	**284.48**	**11.79**
Current	11.71	0.09
Non-current	272.77	11.70
	284.48	**11.79**

18 Long-term provisions

	31 December 2017	31 March 2017
Provision for gratuity (refer note 34)	22.66	24.68
Total	**22.66**	**24.68**

19 Other non-current liabilities

	31 December 2017	31 March 2017
Operation and maintenance equalisation	1,365.47	967.88
Security deposit received	0.37	-
Deferred revenue	4.59	-
Total	**1,370.43**	**967.88**

20 Short-term borrowings

	31 December 2017	31 March 2017
Acceptances (secured)	2,700.59	13,134.95
Working capital term loan (secured)	250.00	-
Buyer's/Supplier's credit (secured)	5,048.44	3,343.06
Loan from body corporates (unsecured)	91.42	97.42
Total	**8,090.45**	**16,575.43**

Notes:

Acceptances (secured)
Acceptances are secured by parri 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 7.35% to 8.50%.

Working capital term loan (secured)
The term loan from bank carries interest @ 8.25% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 180 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.

Buyer's/Supplier's credit (secured)

Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

Loan from body corporates (unsecured)

Unsecured loan from body corporate of INR 91.42 (31 March 2017 INR 97.42), no interest is payable on the loan and shall be repaid as per clause 7.1.6 of the share purchase agreement dated 3 August 2016.

21 Trade payables

	31 December 2017	31 March 2017
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 45)	-	-
Others	4,103.58	2,394.77
Total	**4,103.58**	**2,394.77**

(Amounts in INR million, unless otherwise stated)

22 Derivative instruments	**31 December 2017**	**31 March 2017**
Financial liabilities at fair value through OCI		
Current		
Cash flow hedges		
Derivative instruments	1,879.64	2,243.60
Total	**1,879.64**	**2,243.60**

23 Other current financial liabilities	**31 December 2017**	**31 March 2017**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 16)	7,074.12	1,744.18
Others		
Interest accrued but not due on borrowings	2,004.96	910.00
Interest accrued and due on borrowings	-	15.85
Interest accrued but not due on debentures	688.91	217.97
Capital creditors	4,949.26	15,226.55
Purchase consideration payable	118.22	162.38
Share application money received and due for refund (refer note 15.1)	-	2.20
Other Payables	1.02	-
	14,836.49	**18,279.13**

24 Other current liabilities	**31 December 2017**	**31 March 2017**
Advance from customers	1.44	0.73
Operation and maintenance equalisation reserve	187.10	92.54
Other payables		
TDS payable	67.96	764.88
Service tax payable	-	116.37
GST payable	62.23	
WCT payable	9.99	22.33
VAT/CST payable	36.22	35.40
Labour welfare fund payable	0.24	0.00
Provident fund payable	8.99	7.00
Others	0.21	-
Total	**374.38**	**1,039.25**

25 Short term Provisions	**31 December 2017**	**31 March 2017**
Provision for gratuity (refer note 34)	5.35	0.89
Provision for leave encashment	32.38	28.69
Provision for income tax (net of advance income tax)	91.08	48.92
Total	**128.81**	**78.50**

(Amounts in INR million, unless otherwise stated)

26 Revenue from operations	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Income from operation		
Sale of power	18,669.41	9,943.15
Sale from Engineering, Procurement and Construction services	158.73	-
Income from sale of renewable energy certificates	96.88	27.70
Total	**18,925.02**	**9,970.85**

27 Other income	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Recurring other income:		
Interest income		
- on fixed deposit with banks	795.28	747.62
- income tax refund	8.92	-
-others	10.66	0.61
Government grant		
- generation based incentive	1,082.41	622.97
- viability gap funding	8.42	0.20
Non-recurring other income:		
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	3.85	29.91
Profit on sale of fixed assets	1.21	-
Unrealised gain/ loss on mutual fund	60.82	0.00
Profit on sale of mutual fund	66.45	-
Insurance claim	13.74	13.50
Compensation for loss of revenue	30.35	407.01
Miscellaneous income	42.03	10.53
Total	**2,124.14**	**1,832.35**

28 Cost of raw material and components consumed	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Cost of raw material and components consumed	143.51	-
Total	**143.51**	**-**

29 Employee benefits expense	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Salaries, wages and bonus	319.74	177.03
Contribution to provident and other funds	18.66	10.88
Share based payment (refer note 36)	250.54	93.75
Gratuity expense (refer note 34)	5.53	0.37
Staff welfare expenses	27.73	5.38
Total	**622.20**	**287.41**

30 Other expenses	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Legal and professional fees	293.49	307.88
Corporate social responsibility	37.66	12.01
Travelling and conveyance	122.30	55.44
Rent	56.81	21.00
Director's commission	5.83	2.25
Printing and stationery	1.31	0.77
Rates and taxes	87.52	36.25
Payment to auditors*	23.81	16.56
Insurance	90.89	48.31
Operation and maintenance	1,194.37	702.30
Repair and maintenance	15.30	10.50
Bidding expenses	19.50	5.89
Advertising and sales promotion	40.94	5.19
Security charges	82.79	27.41
Communication costs	19.16	5.56
Capital work in progress written off	-	65.00
Advances written off	46.75	-
Penalty for delay in project commissioning	3.94	-
Miscellaneous expenses	81.64	37.11
Total	**2,224.01**	**1,359.43**

(Amounts in INR million, unless otherwise stated)

*Payment to Auditors	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
As auditor:		
Statutory audit fee	14.80	13.07
In other capacity:		
Certification fees	0.89	1.05
Other services	6.41	0.35
Reimbursement of expenses	1.71	2.09
	23.81	**16.56**

31 Depreciation and amortization expense	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Depreciation of tangible assets (refer note 5)	5,043.50	2,687.37
Amortisation of intangible assets (refer note 6)	61.86	12.21
Total	**5,105.36**	**2,699.58**

32 Finance costs	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Interest expense on		
- term loans	3,729.53	3,083.92
- on working capital demand loan	-	87.73
- bonds	3,199.43	-
- acceptance	476.08	646.86
- buyer's/supplier's credit	629.11	94.12
- debentures	2,183.48	1,282.77
- liability component of compulsorily convertible debentures	51.23	15.68
- others	-	0.05
Amortization of Option premium	-	15.68
Bank charges	354.19	105.78
Unamortised ancillary borrowing cost written off*	200.33	-
Total	**10,823.38**	**5,332.44**

* Represents carried forward unamortised cost pertaining to existing loan charged to statement of profit & loss on account of refinancing.

33 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:

	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Profit attributable to equity holders of the parent for basic earnings	1,222.28	1,615.19
	1,222.28	1,615.19
Net profit for calculation of basic EPS	1,222.28	1,615.19
Weighted average number of equity shares for calculating basic EPS	338,366,073	281,020,136
Basic earnings per share	3.61	5.75
Net profit for calculation of diluted EPS	1,222.28	1,615.19
Weighted average number of equity shares for calculating diluted EPS*	344,839,862	299,807,602
Diluted earnings per share	3.54	5.39

	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	338,366,073	281,020,136
Effect of dilution		
Convertible equity for compulsory convertible debentures (CCD)	-	8,461,328
Convertible equity for employee stock option plan	6,473,789	10,326,138
Weighted average number of equity shares in calculating diluted EPS*	344,839,862	299,807,602

(Amounts in INR million, unless otherwise stated)

34 Gratuity and other post-employment benefit plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The 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 summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss		
Net employees benefit expense recognised in employee cost	**31 December 2017**	**31 December 2016**
Current service cost	10.08	5.09
Interest cost on benefit obligation	1.39	0.74
Net benefit expense*	**11.47**	**5.83**

Balance Sheet		
Benefit asset/(liability)	**31 December 2017**	**31 March 2017**
Present value of unfunded obligation	(27.99)	(25.57)
Net liability	(27.99)	(25.57)

	31 December 2017	**31 March 2017**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	25.57	12.80
Current service cost	10.08	6.30
Interest cost	1.39	0.98
Benefits paid	-	-
Liabilities assumed/ (settled)	-	-
Actuarial (gains) / losses on obligation	-	-
Remeasurements during the period due to:		
- Experience adjustments	1.53	4.09
- Change in financial assumptions	0.35	1.40
- Change in demographic assumptions	(10.93)	-
Closing defined benefit obligation	27.99	25.57

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.

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

The principal assumptions used in determining gratuity obligations	**31 December 2017**	**31 March 2017**
Discount rate	7.10%	7.40%
Salary Escalation	10.00%	10.00%
Rate of mortality as per table	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table

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:

Particulars	**Change in assumptions**	**31 December 2017**	**31 March 2017**
Discount rate	+ 0.5%	27.43	24.00
	- 0.5%	28.60	27.00
Salary escalation	+ 0.5%	28.42	27.00
	- 0.5%	27.59	25.00

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

Gratuity amounts for current year and previous years	**31 December 2017**	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**
Defined benefit obligation	28.00	26.00	12.80	6.95	3.59
Surplus/(Deficit)	(28.00)	(26.00)	(12.80)	(6.95)	(3.59)
Experience adjustment on plan (gain)/loss	1.53	(4.00)	(0.33)	(0.66)	0.53

(Amounts in INR million, unless otherwise stated)

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

Maturity Profile	31 December 2017	31 March 2017
Within next 12 months	5.35	0.89
Between 2 and 5 years	18.86	6.51
Between 5 and 10 years	9.78	8.49
Beyond 10 years	5.25	63.81

The weighted average duration to the payment of these cash flows is 3.89 years (31 March 2017: 12.39 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:

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

Defined contribution plan:	31 December 2017	31 December 2016
Contribution to provident fund & other fund charged to statement of profit & loss*	39.38	27.73

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

35 Operating lease commitments
The Group has entered into commercial property lease for its offices. The lease have non-cancellable commitment period which has remaining term of 3 - 60 months. The Company has the option, under some of its leases, to lease the assets for additional terms of upto three years.
Future minimum rentals payables under non- cancellable operating lease (excluding lease equalisation reserve) are as follows

Particulars	For the period ended 31 December 2017	For the year ended 31 March 2017
Within one year	89.31	44.68
After one year but not more than five years	471.64	29.56

(Amounts in INR million, unless otherwise stated)

36 Share Based Payment

The Company has four share-based payment schemes for its employees:
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	Group Stock Option Plans
Grant Date	Multiple
Vesting period	**2017 Stock Option Plan** **Time linked vesting:** i) 50 % of grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options ii) Remaining 50% will vest at the end of 5 years from the date of grant. **2016 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **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 threshold EBIDTA achieved by the Company for the last completed financial year. **2014 Stock Option Plan** **Time linked vesting:** 5 years on quarterly basis which shall commence one year after the date of grant of option **2011 Stock Option Plan** **Time linked vesting:** 5 years from the grant date
Exercise period	Within 10 years from date of grant upon vesting
Exercise price	Rs. 100 to Rs 340
Settlement type	Equity settled

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

Particulars	**Number of options**	
	for the period 31 December 2017	**2016-17**
Outstanding at the beginning of the year	11,173,143	16,708,000
Granted during the period	10,019,000	5,325,000
Forfeited during the period	51,750	19,000
Repurchase during the period	37,000	-
Exercised during the period	25,100	10,840,857
Outstanding at the end of the Period	21,078,293	11,173,143
Exercisable at the end of the period	6,640,511	4,258,715

- The weighted average exercise price of these options outstanding was INR 246.00 as on 31 December 2017 (31 March 2017: INR 160.00).
- The weighted average exercise price of these options granted during the year was INR 340.00 for the period ended 31 December 2017 (31 March 2017: INR 205.00)
- The weighted average exercise price of these options exercised during the period was INR 100.00 for the period ended 31 December 2017 (31 March 2017 108.00).
- The weighted average exercise price of these options forfeited/repurchased during the period was INR 162.00 for the period ended 31 December 2017 (31 March 2017 129.00).

Particulars	**31 Dec 2017***	**2016-2017**
Dividend yield (%)	1.5%	2%
Expected volatility (%)	15%	34%
Risk–free interest rate (%)	6.64% - 6.96%	6.9% - 8.53%
Weighted average remaining contractual life	8.09 years	6.87 years

The fair value of share options granted is estimated at the date of grant using black-scholes simulation model, taking into account the terms and conditions upon which the share options were granted.

* Based on Category I Merchant Banker Report.

(Amounts in INR million, unless otherwise stated)

37 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Subsidiaries under direct control:

Sl.No	Name of Companies	Date of Incorporation	31 December 2017	31 March 2017
1	ReNew Wind Energy (AP 3) Private Limited	7 June 2013	100%	100%
2.	ReNew Solar Power Private Limited	5 June 2012	100%	100%
3.	ReNew Wind Energy (MP) Private Limited	26 September 2012	100%	100%
4.	ReNew Wind Energy (Varekarwadi) Private Limited	16 September 2011	100%	100%
5.	ReNew Wind Energy Delhi Private Limited	8 March 2011	100%	100%
6.	ReNew Wind Energy (Jamb) Private Limited	25 September 2012	100%	100%
7.	ReNew Wind Energy (Devgarh) Private Limited	25 May 2012	100%	100%
8.	ReNew Wind Energy (AP) Private Limited	25 September 2012	67.54%	68.11%
9.	Helios Infratech Private Limited (w.e.f. 24 August 2016)	22 February 2010	100%	100%
10.	Narmada Wind Energy Private Limited	11 February 2008	100%	100%
11.	ReNew Wind Energy (Sipla) Private Limited	21 May 2012	100%	100%
12.	Shruti Power Projects Private Limited (w.e.f. 16 September 2016)	6 March 2013	100%	100%
13.	Lexicon Vanijya Private Limited # (w.e.f. 2 December 2016)	25 February 2008	100%	100%
14.	Symphony Vyapaar Private Limited # (w.e.f. 2 December 2016)	25 February 2008	100%	100%
15.	ReNew Solar Energy (Jharkhand One) Private Limited #	9 June 2016	100%	100%
16.	ReNew Solar Energy (Jharkhand Three) Private Limited #	14 June 2016	100%	100%
17.	ReNew Solar Energy (Jharkhand Four) Private Limited #	13 June 2016	100%	100%
18.	ReNew Solar Energy (Jharkhand Five) Private Limited #	9 June 2016	100%	100%
19.	ReNew Wind Energy (Karnataka Two) Private Limited	5 April 2013	100%	100%
20.	Abaha Wind Energy Developers Private Limited	16 May 2013	100%	100%
21.	ReNew Solar Energy Private Limited	1 April 2013	100%	100%
22.	ReNew Wind Energy (TN) Private Limited	2 April 2013	100%	100%
23.	ReNew Wind Energy (Budh 3) Private Limited #	5 April 2013	100%	100%
24.	ReNew Wind Energy (MP One) Private Limited	23 November 2013	100%	100%
25.	ReNew Solar Energy (Telangana) Private Limited # *	25 March 2015	51.00%	51.00%
26.	ReNew Power Services Private Limited #	15 June 2016	100%	100%
27.	ReNew Solar Energy (Karnataka Two) Private Limited #	21 June 2016	100%	100%
28.	ReNew Wind Energy (Shivpur) Private Limited	12 September 2011	100%	100%
29.	ReNew Wind Energy (Karnataka) Private Limited	17 May 2012	64.89%	64.89%
30.	ReNew Wind Energy (Karnataka 3) Private Limited #	1 June 2013	100%	100%
31.	ReNew Wind Energy (AP Five) Private Limited #	4 March 2015	100%	100%
32.	ReNew Saur Urja Private Limited #	20 April 2015	100%	100%
33.	Bhumi Prakash Private Limited #	5 October 2015	100%	100%
34.	Tarun Kiran Bhoomi Private Limited #	5 October 2015	100%	100%
35.	ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited) #	6 October 2015	100%	100%
36.	ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited) #	6 October 2015	100%	100%
37.	ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited) # *	6 October 2015	51%	51%
38.	ReNew Wind Energy (Rajasthan 2) Private Limited	4 April 2013	100%	100%
39.	ReNew Wind Energy (MP Two) Private Limited	23 November 2013	100%	100%
40.	ReNew Wind Energy (Jath Three) Private Limited	30 April 2013	100%	100%
41.	ReNew Wind Energy (Karnataka 4) Private Limited #	23 November 2013	100%	100%
42.	ReNew Wind Energy (Maharashtra) Private Limited #	23 November 2013	100%	100%
43.	ReNew Wind Energy (MP Four) Private Limited #	5 March 2015	100%	100%
44.	ReNew Wind Energy (AP 2) Private Limited	5 April 2013	100%	100%
45.	ReNew Wind Energy (Orissa) Private Limited	25 September 2012	100%	100%
46.	ReNew Wind Energy (AP 4) Private Limited	17 September 2013	100%	100%
47.	ReNew Wind Energy (Jadeswar) Private Limited	30 August 2011	100%	100%
48.	ReNew Wind Energy (Welturi) Private Limited	23 May 2012	100%	100%
49.	ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4) Private Limited) ##	4 April 2013	100%	100%
50.	ReNew Solar Energy (Rajasthan) Private Limited #	4 April 2013	100%	100%
51.	ReNew Wind Energy (Vaspet 5) Private Limited	26 April 2013	100%	100%
52.	ReNew Solar Energy (Karnataka) Private Limited # *	3 June 2013	51%	51%
53.	ReNew Wind Energy (TN 2) Private Limited #	12 August 2013	100%	100%
54.	ReNew Wind Energy (Rajkot) Private Limited	25 August 2011	100%	100%
55.	ReNew Wind Energy (Rajasthan) Private Limited	16 May 2012	100%	100%
56.	ReNew Akshay Urja Limited # * (Formerly known as ReNew Akshay Urja Private Limited)	19 January 2015	56%	56%
57.	ReNew Wind Energy (Jath) Limited (Formerly known as ReNew Wind Energy (Jath) Private Limited)	21 May 2012	100%	100%
58.	ReNew Wind Energy (Rajasthan One) Private Limited	23 November 2013	100%	100%
59.	ReNew Wind Energy (Rajasthan 3) Private Limited	23 November 2013	100%	100%
60.	ReNew Solar Energy (TN) Private Limited #	4 June 2013	99.99%	99.99%
61.	ReNew Wind Energy (Karnataka Five) Private Limited	27 November 2013	100%	100%
62.	ReNew Wind Energy (MP Three) Private Limited #	4 March 2015	100%	100%
63.	ReNew Wind Energy (Rajasthan Four) Private Limited #	4 March 2015	100%	100%
64.	ReNew Clean Energy Private Limited #	24 March 2015	100%	100%
65.	ReNew Distributed Solar Energy Private Limited ##	19 September 2016	100%	100%
66.	ReNew Distributed Solar Services Private Limited ##	19 September 2016	100%	100%
67.	ReNew Distributed Solar Power Private Limited ##	19 September 2016	100%	100%
68.	ReNew Surya Mitra Private Limited ##	4 October 2016	100%	100%
69.	ReNew Surya Prakash Private Limited ##	4 October 2016	100%	100%
70.	ReNew Saur Vidyut Private Limited ##	6 October 2016	100%	100%
71.	Star Solar Power Private Limited # (w.e.f. 1 December 2016)	28 May 2010	100%	100%
72.	Sungold Energy Private Limited # (w.e.f. 1 December 2016)	31 May 2010	100%	100%
73.	SunSource Energy Services Private Limited ## (w.e.f. 1 December 2016)	18 April 2013	100%	100%
74.	ReNew Solar Daylight Energy Private Limited ##	20 January 2017	100%	100%
75.	ReNew Solar Sun Flame Private Limited ##	20 January 2017	100%	100%
76.	Molagavalli ReNewable Private Limited (w.e.f. 25 March 2017)	7 January 2017	100%	100%
77.	ReNew Power Singapore PTE Limited	5 September 2017	100%	-
78.	KCT Renewable Energy Private Limited (w.e.f. 15 November 2017)	1 July 2014	100%	-

The 100% shareholding is held in these companies by ReNew Solar Power Private Limited, which is a 100% subsidiary of ReNew Power Limited.

The 100% shareholding is held in these companies by ReNew Solar Energy Private Limited, which is a 100% subsidiary of ReNew Power Limited.

* These are joint venture companies, however, the respective joint venture partners have protective rights only.Hence, these have been accounted as subsidiaries in these consolidated financial statements of the group.

(Amounts in INR million, unless otherwise stated)

38 Related Party Disclosures

a) Names of related parties and related party relationship

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

I. Holding Company :

GS Wyvern Holdings Limited (upto 22 March 2018)

II. Key management personnel :

Mr. Sumant Sinha chairman, whole time director and CEO of ReNew Power Limited.

III. Enterprise owned or significantly influenced by key management personnal or their relatives:

Cognisa Investment
Wisemore Advisory Private Limited

IV. Remuneration to key managerial personnel:

	31 December 2017	31 December 2016
Mr. Sumant Sinha	287.73	183.89

Above remuneration includes share based payment of INR 255 (31 December 2016: INR 148) and gratuity and leave encashment of INR 4 (31 December 2016: INR 4).

V. Transactions and balances with enterprises owned or significantly influenced by key management personnel or their relatives

Transactions during the period	Cognisa Investment	
Particulars	31 December 2017	31 December 2016
Interest on compulsorily convertible debentures	-	0.00

Balances as on year/period end	Cognisa Investment		Wisemore Advisory Private Limited	
	31 December 2017	31 March 2017	31 December 2017	31 March 2017
Equity share capital	88.53	88.53	146.58	146.58

(Amounts in INR million, unless otherwise stated)

39 Segment Information

The CEO of ReNew Power 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 group's CEO. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 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 operating profit, comparable operating profit and comparable EBITDA.

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 period ended 31 December 2017			For the year ended 31 December 2016		
	Wind Power	**Solar Power**	**Total**	**Wind Power**	**Solar Power**	**Total**
Revenue from operations	12,960.78	5,804.51	18,765.29	8,172.27	1,798.58	9,970.85
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**12,960.78**	**5,804.51**	**18,765.29**	**8,172.27**	**1,798.58**	**9,970.85**
Other income (other than interest income)	1,117.91	31.82	1,149.73	1,030.18	0.23	1,030.41
Exceptional Items			-	-	-	-
Total	**14,078.69**	**5,836.33**	**19,915.02**	**9,202.45**	**1,798.81**	**11,001.26**
Add: Unallocable income	-	-	1,134.14	-	-	801.94
Total Income	**14,078.69**	**5,836.33**	**21,049.16**	**9,202.45**	**1,798.81**	**11,803.20**
Less: Other expenses	1,816.36	868.35	2,684.71	1,184.31	387.17	1,571.48
Less: Unallocable expenses	-	-	305.01	-	-	75.36
Total Expenses	**1,816.36**	**868.35**	**2,989.72**	**1,184.31**	**387.17**	**1,646.84**
Earning before interest, tax, depreciation and amortization (EBITDA)	**12,262.33**	**4,967.98**	**18,059.44**	**8,018.14**	**1,411.64**	**10,156.36**
Depreciation and amortization expense (net)			5,105.36			2,699.58
Finance costs			10,823.38			5,332.44
Profit before tax			**2,130.70**			**2,124.34**

The Revenues from three major customers amounts to INR 8,855.26 (31 December 2016: INR 7,225.49) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 7,783.99 (31 December 2016: INR 6,713.92) and Solar Segment amounts to INR 1,071.27 (31 December 2016: INR 511.57).

(Amounts in INR million, unless otherwise stated)

40 Fair values

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

	31 December 2017		31 March 2017	
	Carrying	Fair value	Carrying value	Fair value
Financial assets				
Security deposits	98.17	98.17	21.99	21.99
Bank deposits with remaining maturity for more than twelve months	65.27	65.27	30.73	30.73
Trade receivables	8,916.38	8,916.38	4,840.72	4,840.72
Cash and cash equivalent	4,195.51	4,195.51	27,138.99	27,138.99
Bank balances other than cash and cash equivalent	9,768.92	9,768.92	4,507.46	4,507.46
Unbilled revenue	2,453.22	2,453.22	1,883.23	1,883.23
Interest accrued on fixed deposits	142.61	142.61	104.96	104.96
Insurance claim receivable	-	-	7.24	7.24
Government grant receivable	280.80	280.80	-	-
Investments	8,025.64	8,025.64	6.17	6.17
Financial liabilities				
Non Convertible Debentures	49,484.96	49,484.96	20,950.28	20,950.28
Compulsory Convertible Debentures	637.94	637.94	586.71	586.71
Term loan in Indian rupees from bank	33,097.23	33,097.23	16,093.02	16,093.02
Term loan in Indian rupees from financial institutions	14,783.80	14,783.80	19,717.21	19,717.21
Buyer's / Supplier's credit	13,605.21	13,605.21	15,692.40	15,692.40
Bonds	31,611.17	31,611.17	-	-
Short-term borrowings	8,090.45	8,090.45	16,575.43	16,575.43
Trade payables	4,103.58	4,103.58	2,394.77	2,394.77
Derivative instruments	1,879.64	1,879.64	2,243.60	2,243.60
Interest accrued but not due on borrowings	2,004.96	2,004.96	910.00	910.00
Interest accrued and due on borrowings	-	-	15.85	15.85
Interest accrued but not due on debentures	688.91	688.91	217.97	217.97
Capital creditors	4,949.26	4,949.26	15,226.55	15,226.55
Purchase consideration payable	118.22	118.22	162.38	162.38
Share application money received and due for refund	-	-	2.20	2.20
Other payables	1.02	1.02	-	-

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

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

i The fair values of the Group's term loans from banks and financial institutions including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 December 2017 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsory convertible debentures, senior secured bonds and unlisted non convertible debentures are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii 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.

41 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.

(Amounts in INR million, unless otherwise stated)

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 period end:

		31 December 2017		31 March 2017	
Particulars	**Level of fair value measurement**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets not measured at fair value					
1. Measured at amortised cost					
Financial Assets (Non current): Loans					
Security deposits	Level 2	98.17	98.17	21.99	21.99
Total		98.17	98.17	21.99	21.99
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 2	65.27	65.27	30.73	30.73
Total		65.27	65.27	30.73	30.73
Financial Assets (Current): Others					
Unbilled revenue	Level 2	2,453.22	2,453.22	1,883.23	1,883.23
Interest accrued on fixed deposits	Level 2	142.61	142.61	104.96	104.96
Insurance claim receivable	Level 2	-	-	7.24	7.24
Government grant receivable	Level 2	280.80	280.80	-	-
Total		2,876.63	2,876.63	1,995.43	1,995.43
Trade receivables	Level 2	8,916.38	8,916.38	4,840.72	4,840.72
Cash and bank balances					
Cash and cash equivalent	Level 2	4,195.51	4,195.51	27,138.99	27,138.99
Bank balances other than cash and cash equivalent	Level 2	9,768.92	9,768.92	4,507.46	4,507.46
Total		13,964.43	13,964.43	31,646.45	31,646.45
2. Measured at fair value through Profit and Loss					
Investments	Level 1	8,025.64	8,025.64	6.17	6.17
Financial liabilities not measured at fair value					
1. Measured at amortised cost					
Long-term borrowings					
Non Convertible Debentures	Level 2	49,484.96	49,484.96	20,950.28	20,950.28
Compulsory Convertible Debentures	Level 2	637.94	637.94	586.71	586.71
Term loan in Indian rupees from bank	Level 2	33,097.23	33,097.23	16,093.02	16,093.02
Term loan in Indian rupees from financial institutions	Level 2	14,783.80	14,783.80	19,717.21	19,717.21
Buyer's / Supplier's credit	Level 2	13,605.21	13,605.21	15,692.40	15,692.40
Bonds	Level 2	31,611.17	31,611.17	-	-
Total		143,220.31	143,220.31	73,039.62	73,039.62
Other non-current liabilities					
Security deposits	Level 2	-	-	-	-
Short-term borrowings	Level 2	8,090.45	8,090.45	16,575.43	16,575.43
Trade payables	Level 2	4,103.58	4,103.58	2,394.77	2,394.77
Financial liabilities (Current): Others					
Interest accrued but not due on borrowings	Level 2	2,004.96	2,004.96	910.00	910.00
Interest accrued and due on borrowings	Level 2	-	-	15.85	15.85
Interest accrued but not due on debentures	Level 2	688.91	688.91	217.97	217.97
Capital creditors	Level 2	4,949.26	4,949.26	15,226.55	15,226.55
Purchase consideration payable	Level 2	118.22	118.22	162.38	162.38
Share application money received and due for refund	Level 2	-	-	2.20	2.20
Other payables	Level 2	1.02	1.02	-	-
Total		7,762.37	7,762.37	16,534.95	16,534.95
2. Measured at fair value through Profit and Loss -nil-		-	-	-	-
3. Measured at fair value through Other comprehensive income					
Derivative instruments	Level 2	1,879.64	1,879.64	2,243.60	2,243.60

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets not measured at fair value			
Security deposits	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Bank deposits with remaining maturity for more than twelve months	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Trade receivables	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Cash and cash equivalent	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Bank balances other than cash and cash equivalent	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Derivative instruments- Cross currency interest rate swaps	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Unbilled revenue	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Interest accrued on fixed deposits	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Insurance claim receivable	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Accrued interest on NSC	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Financial assets measured at fair value			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Derivative instruments- Cross currency interest rate swaps	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities not measured at fair value			
Non Convertible Debentures	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Compulsory Convertible Debentures (unsecured)	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Term loan in Indian rupees from banks	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Term loan in Indian rupees from financial institution	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Buyer's / Supplier's credit (secured)	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Bonds	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Security deposits	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Short-term borrowings	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Trade payables	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Derivative instruments	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Interest accrued but not due on borrowings	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Interest accrued and due on borrowings	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Interest accrued but not due on debentures	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Capital creditors	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Purchase consideration payable	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Share application money received and due for refund	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts
Other payables	Level 2	Discounted cash	Prevailing interest rates in the market, Future payouts

(Amounts in INR million, unless otherwise stated)

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

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

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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. With all other variables held constant, the Group's profit before tax is affected through the impact on financial liabilities, as follows:

	31 December 2017		**31 December 2016**	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+ 258.49	+/(-)50	(-)/+ 112.39
US dollar	+/(-)60	(-)/+ 2.10	+/(-)60	(-)/+ 2.34

	31 December 2017		**31 December 2016**	
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	+/(-) 221.36	+/(-)50	(-)/+ 224.70
US dollar	+/(-)60	+/(-) 2.10	+/(-)60	(-)/+ 3.29

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.

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. The Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Group does not undertake any speculative transaction.

Foreign currency sensitivity

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

(Amounts in INR million, unless otherwise stated)

	31 December 2017		31 December 2016	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(22.02)	22.02	(23.96)	23.96

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 but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities. The maximum credit exposure to credit risk for the components of the balance sheet at 31 December 2017, 31 March 2017 is the carrying amount of all the financial assets.

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

Trade Receivables
Customer credit risk is managed basis established policies of 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 credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk
Credit risk from balances with banks is managed by Group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the 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.

(Amounts in INR million, unless otherwise stated)

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, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind and solar power plants and related assets. The 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:

Period ended 31 December 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and Financial Institutions	-	-	-	25,569.44	42,270.56	67,840.00
Senior Secured Bonds	-	-	-	40,409.11	-	40,409.11
Buyer's credit	-	-	-	9,023.60	-	9,023.60
Non convertible debentures	-	-	-	18,971.23	45,065.91	64,037.14
Compulsorily convertible debentures	-	-	-		637.94	637.94
Short term borrowings						
Acceptances	-	2,700.59	-	-	-	2,700.59
Working capital term loan	-	-	250.00	-	-	250.00
Loan from body corporate	91.42	-	-	-	-	91.42
Buyer's credit	-	4,269.52	778.91	-	-	5,048.43
Other financial liabilities						
Current maturities of long term borrowings	-	3,391.56	14,451.23	-	-	17,842.79
Interest accrued but not due on borrowings	-	2,004.96	-	-	-	2,004.96
Interest accrued and due on borrowings	-	-	-	-	-	-
Interest accrued but not due on debentures	-	688.91	-	-	-	688.91
Mark to market on derivatives	-	1,879.64	-	-	-	1,879.64
Capital Creditors	-	4,949.26	-	-	-	4,949.26
Purchase consideration payable	-	118.22	-	-	-	118.22
Trades payables						-
Trades payables	-	4,103.58	-	-	-	4,103.58

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

(Amounts in INR million, unless otherwise stated)

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and Financial Institutions	-	-	-	20,081.76	28,967.66	49,049.42
Senior Secured Bonds	-	-	-	40,458.80	-	40,458.80
Buyer's credit	-	-	-	15,692.50	-	15,692.50
Non convertible debentures	-	-	-	21,070.28	5,693.17	26,763.45
Compulsorily convertible debentures	-	-	-	-	587.01	587.01
Short term borrowings						
Loan from body corporate	97.42					97.42
Buyer's/Supplier's credit		3,343.46		-	-	3,343.46
Acceptances	-	9,142.92	3,992.04	-	-	13,134.96
Other financial liabilities						
Current maturities of long term borrowings	-	1,619.78	8,541.39	-	-	10,161.17
Interest accrued but not due on borrowings	-	499.52	410.48	-	-	910.00
Interest accrued and due on borrowings	-	15.85	-	-	-	15.85
Interest accrued but not due on debentures	-	218.47	-	-	-	218.47
Mark to market on derivatives	-	2,243.60	-	-	-	2,243.60
Capital Creditors	-	15,226.35	-	-	-	15,226.35
Purchase consideration payable		162.38		-	-	162.38
Share application money pending allotment	-	2.20	-	-	-	2.20
Trades payables						
Trades payables	-	2,394.26	-	-	-	2,394.26

43 Capital management

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

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

To maintain or adjust the capital structure, the 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.

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

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

(i) Contingent liabilities
The Group has contingent liability of
- INR 372.21 on account of liquidity damages claim (which is under litigation) (31 March 2017: Nil).
- INR 398.33 on account of bank gurantee for custom duty liabities (31 March 2017: Nil)

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for

At 31 December 2017, the Group has capital commitment (net of advances) pertaining to commissioning of wind and solar energy projects of INR 12,027.21 (31 March 2017: 11,657.11)

45 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.

(Amounts in INR million, unless otherwise stated)

46 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 6.72% to 9.07% p.a. and receive a variable interest at 1 month LIBOR plus 0.38% p.a. to 6 month LIBOR plus 1.25% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 9.40% to 13.50% p.a. and receive a variable interest at 3 month LIBOR plus 2.25% to 6 months Libor plus 3.85% p.a. on the notional amount.

The cash flow hedges through CCIRS is USD 449,146,155.00 forward of USD 158,823,435.00 and IRS of USD 14,080,246.00 outstanding at the year ended 31 December 2017 were assessed to be highly effective and a mark to market loss of INR 952.10 (31 March 2017: INR 1,500.10) with a deferred tax asset of INR 284.96 (31 March 2017: INR 463.37), is included in OCI.

Foreign currency and Interest rate risk

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

	31 December 2017		31 March 2017	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Derivative contracts designated as hedging instruments	-	1,879.64	-	2,243.60

Hedging reserve movement

	As at 31 December 2017	As at 31 March 2017
Balance at the beginning	(1,036.74)	(133.89)
Gain/(loss) recognised on cash flow hedges	(1,029.06)	(2,953.57)
Income tax relating to gain/loss recognized on cash flow hedges	323.47	912.99
Gain/(loss) reclassified to profit or loss	424.69	260.61
Income tax relating to gain/loss reclassified to profit or loss	(133.47)	(80.54)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	1,152.74	1,191.75
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(368.77)	(368.25)
Gain/(loss) reclassified to profit or loss as hedged future cash flows are no longer expected to occur	-	194.15
Income tax relating to gain/loss reclassified to profit or loss as hedged future cash flows are no longer expected to occur	-	(59.99)
Balance at the end	(667.14)	(1,036.74)
Less: Minority interest at the end	(27.45)	(58.56)
Balance at the end	(639.69)	(978.17)

(Amounts in INR million, unless otherwise stated)

47 Business combinations

The group have acquired unlisted company 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.

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

Particulars	For the period ended 31 December 2017	For the period ended 31 March 2017				
	KCT Renewable Energy Private Limited**	Molagavalli Renewable Private Limited*	Vikram Solar Group**	Sunsource Energy Services Private Limited*	Helios Infratech Private Limited**	Shruti Power Projects Private Limited*
Acquisition date	**15 November 2017**	**25 March 2017**	**02 December 2016**	**01 December 2016**	**24 August 2016**	**16 September 2016**
Segment	**Wind**	**Wind**	**Solar**	**Solar**	**Wind**	**Wind**
Assets	**INR**	**INR**	**INR**	**INR**	**INR**	**INR**
Property plant and equipment	7,018.41	3,565.09	1,506.55	-	-	557.33
Customer Contracts	2,112.80	74.00	818.95	3.02	155.52	48.00
Development rights	-	-			36.00	
Loans	-	-	-	-		0.02
Deferred tax assets (net)	-	-	16.00	-	-	0.01
Non-current investments	-	-	95.29	-	-	-
Other non-current assets	0.34	-	10.01	-		0.07
Current investments	193.38	-	5.75	-	-	-
Trade receivables	866.53	-	2.12	-	-	-
Prepayments	9.52	-	2.00	-	0.44	12.96
Cash and cash equivalents	108.05	0.01	28.31	0.00	0.93	14.20
Bank balances other than cash and cash equivalent	-	-	62.97	-	-	51.77
Others current financial assets	18.74	-	-	-	-	0.38
Other current assets	29.10	-	228.05	-	0.25	110.67
	10,356.87	**3,639.10**	**2,776.00**	**3.02**	**193.14**	**795.41**
Liabilities						
Long-term borrowings	-	-	1,824.20	-	-	374.86
Short-term borrowings	-	-	-	0.01	28.43	97.42
Deferred tax liabilities (net)	478.04	13.72	24.90	0.60	29.21	(0.36)
Trade payables	0.33	0.01	2.18	0.01	1.63	25.15
Other current financial liabilities	6,136.65	3,565.09	97.78	-	-	26.02
Other current liabilities	2.46	-	1.55	-	0.15	0.23
Short term Provisions	42.68	-	-	-	-	-
	6,660.16	**3,578.82**	**1,950.61**	**0.62**	**59.42**	**523.32**
Total identifiable net assets at fair value	**3,696.71**	**60.28**	**825.39**	**2.40**	**133.72**	**272.09**
Goodwill/(Bargain purchase) on acquisition	715.54	(37.19)	155.03	(2.08)	115.90	(75.13)
Purchase consideration transferred	4,412.25	23.09	980.42	0.32	249.62	196.96

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property plant and equipment and Intangible Assets.

*Due to the group's long term contractual relationship with the respective seller and its leadership position in the wind energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 114.

** Goodwill recognised represents the future economic and synergy benefits arising from assets acquired to strengthen it's position in renewable energy sector. Goodwill is allocated entirely to the wind and solar power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, acquired entitles have contributed in revenue and profit/loss before tax follows:

Particulars	From the date of acquisition till 31 December 2017	From the respective date of acquisition till 31 December 2016				
	KCT Renewable Energy Private Limited	Molagavalli Renewable Private Limited	Vikram Solar Group	Sunsource Energy Services Private Limited	Helios Infratech Private Limited	Shruti Power Projects Private Limited
Revenue	91.00	-	68.00	-	-	7.00
Profit/(loss) before tax	(73.03)	-	40.00	0.08	(0.09)	(10.00)

If the combination had taken place at the beginning of the year, revenue from operations and the loss before tax would have been:

Particulars	For the period ended 31 December 2017	From 1 April 2016 to 31 December 2016				
	KCT Renewable Energy Private Limited	Molagavalli Renewable Private Limited	Vikram Solar Group	Sunsource Energy Services Private Limited	Helios Infratech Private Limited	Shruti Power Projects Private Limited
Revenue	1,041.00	-	325.00	-	-	73.00
Profit/(loss) before tax	405.00	-	49.00	(0.08)	(1.00)	17.00

48 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain 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.

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.

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 40 and 42 for further disclosures.

Depreciation on property, plant and equipment

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

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

ReNew Power Limited
Notes to Interim Consolidated Financial Statements for the nine months period ended 31 December 2017
(Amounts in INR million, unless otherwise stated)

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

Name of the entity	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	**10.13%**	**5,979.52**	**1.04%**	**14.64**	**(0.08%)**	**(0.32)**	**0.81%**	**14.32**
Subsidiaries								
ReNew Wind Energy (Rajasthan) Private Limited	3.26%	1,922.25	6.85%	96.08	0.00%	-	5.40%	96.08
ReNew Wind Energy (Welturi) Private Limited	0.66%	386.89	0.81%	11.36	0.00%	-	0.64%	11.36
ReNew Wind Energy (Devgarh) Private Limited	2.58%	1,520.11	10.61%	148.78	(11.03%)	(41.43)	6.04%	107.34
ReNew Wind Energy (Karnataka) Private Limited	-0.51%	(303.82)	(5.10%)	(71.51)	0.00%	-	(4.02%)	(71.51)
ReNew Wind Energy (AP) Private Limited	2.16%	1,276.01	5.38%	75.47	0.00%	-	4.24%	75.47
ReNew Wind Energy (Rajkot) Private Limited	0.54%	318.99	6.83%	95.83	0.00%	-	5.39%	95.83
ReNew Wind Energy (Jath) Limited (upto 6 September 2015, known as ReNew Wind Energy (Jath) Private Limited)	2.19%	1,292.27	15.46%	216.84	0.00%	-	12.19%	216.84
ReNew Wind Energy Delhi Private Limited	0.43%	252.56	2.89%	40.59	0.00%	-	2.28%	40.59
ReNew Wind Energy (Shivpur) Private Limited	0.45%	263.45	1.80%	25.29	0.00%	-	1.42%	25.29
ReNew Wind Energy (Jadeswar) Private Limited	1.08%	639.63	3.57%	50.01	0.00%	-	2.81%	50.01
ReNew Wind Energy (Varekarwadi) Private Limited	2.79%	1,643.59	8.73%	122.50	0.00%	-	6.89%	122.50
ReNew Wind Energy (MP) Private Limited	0.50%	293.80	(0.02%)	(0.32)	0.00%	-	(0.02%)	(0.32)
ReNew Wind Energy (AP 3) Private Limited	1.98%	1,165.99	1.00%	14.04	0.00%	-	0.79%	14.04
ReNew Wind Energy (MP Two) Private Limited	0.95%	560.93	(2.36%)	(33.16)	0.00%	-	(1.86%)	(33.16)
ReNew Wind Energy (Rajasthan One) Private Limited	-0.72%	(422.04)	11.82%	165.81	0.00%	-	9.32%	165.81
ReNew Wind Energy (Sipla) Private Limited	4.63%	2,733.39	17.96%	251.94	(13.63%)	(51.22)	11.29%	200.72
ReNew Wind Energy (Jamb) Private Limited	1.15%	676.94	(3.75%)	(52.55)	(0.37%)	(1.38)	(3.03%)	(53.93)
ReNew Wind Energy (Orissa) Private Limited	0.56%	331.15	(1.24%)	(17.38)	0.00%	-	(0.98%)	(17.38)
ReNew Wind Energy (TN) Private Limited	0.01%	5.11	(0.01%)	(0.19)	0.00%	-	(0.01%)	(0.19)
ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4) Private Limited)	0.03%	16.14	0.02%	0.24	0.00%	-	0.01%	0.24
ReNew Wind Energy (Rajasthan 2) Private Limited	0.01%	3.74	(0.05%)	(0.70)	0.00%	-	(0.04%)	(0.70)
ReNew Wind Energy (AP 2) Private Limited	0.01%	4.01	(0.09%)	(1.30)	0.00%	-	(0.07%)	(1.30)
ReNew Wind Energy (Budh 3) Private Limited	2.20%	1,299.62	0.23%	3.25	(5.16%)	(19.38)	(0.91%)	(16.13)
ReNew Wind Energy (Karnataka Two) Private Limited	0.00%	2.38	(0.09%)	(1.31)	0.00%	-	(0.07%)	(1.31)
ReNew Wind Energy (Vaspet 5) Private Limited	0.00%	2.52	(0.05%)	(0.76)	0.00%	-	(0.04%)	(0.76)
ReNew Wind Energy (Jath Three) Private Limited	0.00%	2.92	(0.00%)	(0.04)	0.00%	-	(0.00%)	(0.04)
ReNew Wind Energy (TN 2) Private Limited	0.41%	242.01	(5.62%)	(78.86)	(2.76%)	(10.37)	(5.02%)	(89.23)
ReNew Wind Energy (Karnataka 3) Private Limited	5.39%	3,182.42	13.47%	188.89	40.58%	152.47	19.20%	341.36
ReNew Wind Energy (AP 4) Private Limited	0.00%	1.98	(0.03%)	(0.40)	0.00%	-	(0.02%)	(0.40)
ReNew Wind Energy (MP One) Private Limited	0.10%	61.65	(0.01%)	(0.14)	0.00%	-	(0.01%)	(0.14)
ReNew Wind Energy (Karnataka 4) Private Limited	0.58%	344.92	0.12%	1.70	(1.64%)	(6.18)	(0.25%)	(4.48)
ReNew Wind Energy (Karnataka Five) Private Limited	0.08%	45.87	(0.01%)	(0.08)	0.00%	-	(0.00%)	(0.08)
ReNew Wind Energy (Maharashtra) Private Limited	1.13%	668.82	0.40%	5.66	11.98%	45.01	2.85%	50.67
ReNew Wind Energy (Rajasthan 3) Private Limited	3.61%	2,132.53	5.46%	76.56	(13.37%)	(50.26)	1.48%	26.30
Narmada Wind Energy Private Limited	1.23%	726.12	(0.45%)	(6.35)	0.00%	-	(0.36%)	(6.35)
Abaha Wind Energy Developers Private Limited	0.03%	17.22	(0.05%)	(0.77)	0.00%	-	(0.04%)	(0.77)
ReNew Wind Energy (AP Five) Private Limited	0.02%	13.74	0.01%	0.08	0.00%	-	0.00%	0.08
ReNew Wind Energy (MP Three) Private Limited	1.13%	666.51	0.70%	9.82	13.36%	50.20	3.37%	60.02
ReNew Wind Energy (Rajasthan Four) Private Limited	1.05%	619.13	0.07%	0.97	2.79%	10.47	0.64%	11.44
ReNew Wind Energy (MP Four) Private Limited	0.73%	428.28	0.89%	12.42	(1.60%)	(6.02)	0.36%	6.40
ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited)	0.46%	269.76	2.15%	30.13	(3.16%)	(11.89)	1.03%	18.25
ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)	1.17%	692.88	5.63%	79.00	(2.34%)	(8.81)	3.95%	70.20
Tarun Kiran Bhoomi Private Limited	0.59%	349.29	0.27%	3.83	(2.89%)	(10.86)	(0.40%)	(7.03)
Bhumi Prakash Private Limited	0.79%	466.97	0.01%	0.20	8.31%	31.22	1.77%	31.42
ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited)	4.21%	2,486.53	12.28%	172.25	(3.45%)	(12.96)	8.96%	159.29
ReNew Solar Power Private Limited	-5.47%	(3,228.12)	(25.88%)	(363.06)	2.59%	9.74	(19.87%)	(353.31)
ReNew Solar Energy Private Limited	-0.10%	(61.82)	(22.19%)	(311.25)	17.39%	65.34	(13.83%)	(245.91)
ReNew Solar Energy (Rajasthan) Private Limited	1.01%	594.64	(0.03%)	(0.42)	(3.99%)	(14.98)	(0.87%)	(15.40)
ReNew Solar Energy (TN) Private Limited	0.38%	225.22	6.21%	87.13	0.00%	0.00	4.90%	87.13
ReNew Solar Energy (Karnataka) Private Limited	0.66%	390.27	(4.96%)	(69.63)	0.00%	-	(3.92%)	(69.63)
ReNew Akshay Urja Limited (upto 31 October 2017, known as ReNew Akshay Urja Private Limited)	2.62%	1,544.41	9.25%	129.79	16.33%	61.38	10.75%	191.17
ReNew Solar Energy (Telangana) Private Limited	4.57%	2,693.88	7.73%	108.47	(2.40%)	(9.04)	5.59%	99.43
ReNew Saur Urja Private Limited	4.20%	2,480.92	0.93%	12.98	11.27%	42.36	3.11%	55.35
ReNew Clean Energy Private Limited	2.79%	1,646.32	1.90%	26.70	33.00%	124.02	8.48%	150.72
Helios Infratech Private Limited	4.04%	2,385.59	(2.21%)	(31.05)	0.00%	-	(1.75%)	(31.05)
Shruti Power Projects Private Limited	2.88%	1,699.74	0.50%	7.08	0.00%	-	0.40%	7.08
ReNew Solar Energy (Jharkhand One) Private Limited	0.02%	10.57	(0.18%)	(2.55)	0.00%	-	(0.14%)	(2.55)
ReNew Power Services Private Limited	-0.52%	(306.34)	(2.42%)	(33.96)	2.01%	7.54	(1.49%)	(26.41)
ReNew Solar Energy (Jharkhand Three) Private Limited	0.01%	5.80	(0.20%)	(2.74)	0.00%	-	(0.15%)	(2.74)
ReNew Solar Energy (Jharkhand Four) Private Limited	0.01%	5.87	(0.09%)	(1.21)	0.00%	-	(0.07%)	(1.21)
ReNew Solar Energy (Jharkhand Five) Private Limited	0.01%	4.80	(0.17%)	(2.40)	0.00%	-	(0.14%)	(2.40)

(Amounts in INR million, unless otherwise stated)

Name of the entity	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 Solar Energy (Karnataka Two) Private Limited	1.27%	748.00	(1.43%)	(20.06)	0.00%	-	(1.13%)	(20.06)
Symphony Vyapaar Private Limited	1.72%	1,015.72	(0.05%)	(0.68)	0.00%	-	(0.04%)	(0.68)
Lexicon Vanijya Private Limited	1.68%	990.87	(0.21%)	(2.90)	0.00%	-	(0.16%)	(2.90)
Star Solar Power Private Limited	0.76%	450.06	0.20%	2.78	0.00%	-	0.16%	2.78
Sungold Energy Private Limited	0.75%	442.51	0.16%	2.30	0.00%	-	0.13%	2.30
ReNew Distributed Solar Services Private Limited	0.13%	78.14	0.08%	1.17	0.00%	-	0.07%	1.17
ReNew Distributed Solar Energy Private Limited	0.16%	91.50	(0.05%)	(0.75)	0.00%	-	(0.04%)	(0.75)
ReNew Distributed Solar Power Private Limited	0.26%	155.22	(0.04%)	(0.59)	0.00%	-	(0.03%)	(0.59)
ReNew Surya Mitra Private Limited	0.00%	0.08	(0.00%)	(0.03)	0.00%	-	(0.00%)	(0.03)
ReNew Surya Prakash Private Limited	0.28%	163.51	0.26%	3.65	0.00%	-	0.21%	3.65
ReNew Saur Vidyut Private Limited	0.43%	252.15	0.29%	4.11	0.00%	-	0.23%	4.11
SunSource Energy Services Private Limited	0.17%	97.51	0.32%	4.45	0.00%	-	0.25%	4.45
ReNew Solar Sun Flame Private Limited	0.01%	8.13	(0.01%)	(0.09)	0.00%	-	(0.00%)	(0.09)
ReNew Solar Daylight Energy Private Limited	0.00%	0.04	(0.00%)	(0.02)	0.00%	-	(0.00%)	(0.02)
KCT Renewable Energy Private Limited	7.56%	4,462.20	(5.91%)	(82.88)	0.00%	-	(4.66%)	(82.88)
Molagavalli ReNewable Private Limited	2.25%	1,328.51	7.81%	109.57	0.00%	-	6.16%	109.57
Total Subsidiaries	**94.34%**	**55,660.59**	**87.15%**	**1,222.28**	**91.73%**	**344.70**	**88.11%**	**1,566.98**
Minority Interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	0.09%	50.93	(0.05%)	(0.66)	0.00%	-	(0.04%)	(0.66)
ReNew Wind Energy (AP) Private Limited	0.13%	78.10	2.45%	34.36	0.00%	-	1.93%	34.36
ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)	0.70%	412.46	2.85%	40.02	(2.25%)	(8.46)	1.77%	31.56
ReNew Solar Energy (TN) Private Limited	0.00%	1.28	0.01%	0.14	0.00%	-	0.01%	0.14
ReNew Solar Energy (Karnataka) Private Limited	0.67%	397.07	(4.15%)	(58.19)	0.00%	-	(3.27%)	(58.19)
ReNew Akshay Urja Limited (upto 31 October 2017, known as ReNew Akshay Urja Private Limited)	2.21%	1,300.99	6.79%	95.28	12.83%	48.23	8.07%	143.51
ReNew Solar Energy (Telangana) Private Limited	1.86%	1,098.25	4.94%	69.34	(2.31%)	(8.68)	3.41%	60.66
Total Minority	**5.66%**	**3,339.08**	**12.85%**	**180.30**	**8.27%**	**31.09**	**11.89%**	**211.39**
Total	**100.00%**	**58,999.67**	**100.00%**	**1,402.58**	**100.00%**	**375.79**	**100.00%**	**1,778.37**

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: 26 April 2018

For and on behalf of the ReNew Power Limited

Chairman, Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 April 2018

Independent Director
(Arun Duggal)
DIN- 00024262
Place: Gurugram
Date: 26 April 2018

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 April 2018

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 April 2018

S.R. BATLIBOI & CO. LLP
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of **ReNew Power Ventures Private Limited**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of ReNew Power Ventures Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirement of the Companies Act, 2013 ("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 in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group 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 for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that the audit evidence obtained by us 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 Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Ind AS Financial Statements give the information required by 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 as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

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, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports 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 purpose of our audit of the aforesaid Consolidated Ind AS 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, 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 Ind AS Financial Statements;

(d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, refer to our separate report in "Annexure 1" to this report;

(g) 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, 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, as noted in the 'Other matter' paragraph:

i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group– Refer Note 6 to the Consolidated Ind AS Financial Statements;

ii. Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 50 to the Consolidated Ind AS Financial Statements in respect of such items as it relates to the Group;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended March 31, 2017;

iv. The Holding Company and its subsidiaries, have provided requisite disclosures in Note 46 to these Consolidated Ind AS Financial Statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

Other matter

We did not audit the financial statements and other financial information, in respect of 48 subsidiaries, whose Ind AS financial statements include total assets of Rs. 62,782 million and net assets of Rs. 9,565 million as at March 31, 2017 and total revenues of Rs. 5,169 million and net cash inflows of Rs. 4,966 million for the year ended on that date. These financial statement and other financial information have been 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 Ind AS 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 reports of such other auditors.

Our opinion above on the Consolidated Ind AS Financial Statements, and our report on other legal and regulatory requirements above, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

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

per Amit Chugh
Partner
Membership Number: 505224
Place of Signature: Gurugram
Date: July 26, 2017

S.R. BATLIBOI & CO. LLP GURGAON

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of ReNew Power Ventures 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")

In conjunction with our audit of the Consolidated Financial Statements of ReNew Power Ventures Private Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of ReNew Power Ventures Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the of the Holding Company and its subsidiary companies are 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 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 and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting 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 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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 Holding Company and its subsidiary companies have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

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 of the Holding Company, insofar as it relates to these 48 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

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

per Amit Chugh
Partner
Membership Number: 505224
Place of Signature: Gurugram
Date: July 26, 2017

S.R. BATLIBOI & CO. LLP
GURGAON

ReNew Power Ventures Private Limited
Consolidated Balance Sheet as at 31 March 2017
(Amounts in INR million, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Assets				
Non-current assets				
Property, plant and equipment	4	127,577	61,868	32,927
Capital work in progress	4	19,094	13,375	7,886
Goodwill	5	293	23	23
Intangible assets	5	1,175	42	29
Intangible assets under development	5	-	-	12
Financial assets				
Loans	6	22	27	20
Others	6	31	2,393	616
Deferred tax assets (net)	7 A	1,342	746	461
Prepayments	8	770	68	79
Other non-current assets	9	9,570	10,013	6,481
Total non-current assets		**159,874**	**88,555**	**48,534**
Current assets				
Inventories	10	14	-	-
Financial assets				
Investments	6	6	-	-
Trade receivables	11	4,841	3,200	734
Cash and cash equivalent	12	27,139	3,632	7,874
Bank balances other than cash and cash equivalent	12	4,507	9,908	2,173
Derivative instruments	6	-	180	-
Loan	6	0	4	2
Others	6	1,995	939	408
Prepayments	8	210	54	95
Other current assets	9	2,678	655	301
Total current assets		**41,390**	**18,572**	**11,587**
Total assets		**201,264**	**107,127**	**60,121**
Equity and liabilities				
Equity				
Equity share capital	13 A	3,384	2,608	2,016
Other equity				
Equity component of compulsory convertible debentures	13 B	-	147	147
Share premium	14.2	50,065	31,244	19,753
Capital Reserve	14.3	114	-	-
Debenture Redemption Reserve	14.4	1,065	370	5
Hedging reserve	14.5	(978)	(131)	(79)
Defined benefit obligation reserve	14.6	(4)	(1)	-
Share Based Payment reserve	14.7	1,183	1,397	1,175
Retained earnings	14.8	(1,111)	(742)	(1,189)
Equity attributable to owners of the parent		**53,718**	**34,892**	**21,828**
Non-Controlling Interests		3,126	1,665	25
Total equity		**56,844**	**36,557**	**21,853**
Non-current liabilities				
Financial liabilities				
Long-term borrowings	15	102,445	51,904	28,511
Deferred government grant	16	12	-	-
Long-Term Provisions	17	25	12	7
Deferred tax liabilities (net)	7 B	360	167	50
Other non-current liabilities	18	968	600	417
Total non-current liabilities		**103,810**	**52,683**	**28,985**
Current liabilities				
Financial liabilities				
Short-term borrowings	19	16,575	4,881	1,943
Trade payables	20	2,394	332	221
Derivative instruments	21	2,244	233	85
Other current financial liabilities	22	18,279	12,173	6,835
Deferred government grant	16	0	-	-
Other current liabilities	23	1,039	247	195
Short term Provisions	24	79	21	4
Total current liabilities		**40,610**	**17,887**	**9,283**
Total liabilities		**144,420**	**70,570**	**38,268**
Total equity and liabilities		**201,264**	**107,127**	**60,121**

Summary of significant accounting policies 3

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: 26 July 2017

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

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 July 2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 26 July 2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 July 2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 July 2017

ReNew Power Ventures Private Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2017

(Amounts in INR million, unless otherwise stated)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Income:			
Revenue from operations	25	13,073	6,136
Other income	26	2,435	1,274
Exceptional Items	48	-	1,171
Total Income (i)		**15,508**	**8,581**
Expenses:			
Cost of raw material and components consumed	27	4	-
Employee benefits expense	28	512	163
Other expenses	29	1,890	889
Total expenses (ii)		**2,406**	**1,052**
Earning before interest, tax, depreciation and amortization (EBITDA) (i) - (ii)		**13,102**	**7,529**
Depreciation and amortization expense	30	3,828	2,084
Finance costs	31	8,259	4,433
Profit before tax		**1,015**	**1,012**
Tax Expense			
Current tax		441	224
Deferred tax		68	(130)
Earlier year tax		-	3
Profit for the year	**(a)**	**506**	**915**
Other comprehensive income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		(1,311)	(76)
Income tax effect		408	21
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**(b)**	**(903)**	**(55)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss of defined benefit plan		(5)	(1)
Income tax effect		2	0
		(3)	(1)
Capital reserve on acquisition of subsidiaries (refer note 51)		114	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**(c)**	111	-
Other comprehensive income for the year, net of taxes	**(d) = (b) +(c)**	**(792)**	**(56)**
Total comprehensive income for the year, net of tax	**(a) + (d)**	**(286)**	**859**
Profit for the year			
Attributable to:			
Equity holders of the parent		335	818
Non-controlling interests		171	97
Total comprehensive income for the year			
Attributable to:			
Equity holders of the parent		(401)	765
Non-controlling interests		115	94
Earnings per share:			
Basic attributable to equity shareholders of the parent	32	1.80	4.07
Diluted attributable to equity shareholders of the parent	32	1.77	4.07
Summary of significant accounting policies	3		

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: 26 July 2017

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

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 July 2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 26 July 2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 July 2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 July 2017

ReNew Power Ventures Private Limited

Consolidated Statement of Cash Flows for the year ended March 31, 2017

(Amounts in INR million, unless otherwise stated)

Particulars	**Year ended 31 March 2017**	**Year ended 31 March 2016**
Profit before tax	1,015	1,012
Adjustments for:		
Depreciation and amortization expense	3,828	2,084
Loss/(profit) on sale of asset	2	0
Loss/(profit) on sale of Investment	(10)	-
Capital work in progress written off	73	-
SECI subsidiy	(0)	-
Share based payment	185	59
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	(10)	-
Unamortised ancillary borrowing cost written off	429	96
Operation and maintenance equalisation reserve	341	243
Amortization of option premium	16	33
Interest income	(1,027)	(831)
Interest expenses	7,640	4,201
Operating profit/(loss) before working capital changes	**12,482**	**6,897**
Movement in working capital		
(Increase)/decrease in trade receivables	(1,639)	(2,466)
(Increase)/decrease in inventories	(14)	-
(Increase)/decrease in other current financial assets	(1,211)	(340)
(Increase)/decrease in prepayments	(843)	52
(Increase)/decrease in other current assets	(1,680)	(355)
(Increase)/decrease in other non-current financial assets	5	(7)
(Increase)/decrease in other non-current assets	(182)	139
(Increase)/decrease in trade payables	2,034	114
Increase/(decrease) in other current financial liabilities	(3,690)	(1)
Increase/(decrease) in other current liabilities	818	(9)
Increase/(decrease) in long term provisions	27	18
Cash generated from operations	**6,107**	**4,042**
Direct taxes paid (net of refunds)	(804)	(484)
Net cash generated from operating activities	**5,303**	**3,558**
Cash flow from investing activities		
Purchase of fixed asset including CWIP, capital creditors and capital advances	(64,149)	(34,651)
(Investments in)/redemption of mark deposits having residual maturity more than 3 months	7,878	(9,512)
Investments (made)/redeemed	105	-
Purchase condsideration paid	(1,243)	-
Interest received	1,183	640
Net cash used in investing activities	**(56,226)**	**(43,524)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium)	19,877	13,204
Government grant received	12	
Refund of share application money pending allotment	2	-
Proceeds from long-term borrowings	80,239	46,066
Repayment of long-term borrowings	(30,573)	(22,393)
Proceeds from short-term borrowings (net of repayments)	11,568	2,938
Interest paid	(6,695)	(4,092)
Net cash generated from financing activities	**74,430**	**35,723**
Net (decrease) / increase in cash and cash equivalents	**23,507**	**(4,242)**
Cash and cash equivalents at the beginning of the year	**3,632**	**7,874**
Cash and cash equivalents at the end of the year	**27,139**	**3,631**
Components of cash and cash equivalents		
Cash and cheques on hand	0	0
Balances with banks:		
- On current accounts	8,170	1,924
- On deposit accounts with original maturity of less than 3 months	18,969	1,708
Total cash and cash equivalents (note 12)	**27,139**	**3,632**

Notes:

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

As per our report of even date
For S.R. Batliboi & Co. LLP

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

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurgaon
Date: 26 July 2017

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

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurgaon
Date: 26 July 2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurgaon
Date: 26 July 2017

Chief Financial Officer
(Ravi Seth)

Place: Gurgaon
Date: 26 July 2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurgaon
Date: 26 July 2017

ReNew Power Ventures Private Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2017
(Amounts in INR million, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent											Non-Controlling Interests (NCI)	Total Equity
	Equity share capital	Equity Component of compulsorily convertible debentures	Share application money pending allotment	Reserves and Surplus				Items of OCI			Total		
				Share Premium	Share Based Payment reserve	Debenture redemption reserve	Retained Earnings	Capital Reserve on Business Combination	Defined benefit obligation reserve	Hedging Reserve			
	(refer note 13 A)	(refer note 13 B)	(refer note 14.1)	(refer note 14.2)	(refer note 14.7)	(refer note 14.4)	(refer note 14.8)	(refer note 14.3)	(refer note 14.6)	(refer note 14.5)			
At 1 April 2015	2,016	147	-	19,753	1,175	5	(1,189)	-	-	(79)	21,828	25	21,853
Profit for the year	-	-	-	-	-	-	818	-	-	-	818	97	915
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	(1)	(52)	(53)	(3)	(56)
Total Comprehensive Income	-	-	-	-	-	-	**818**	-	**(1)**	**(52)**	**765**	**94**	**859**
Share application money received	-	-	12,075	-	-	-	-	-	-	-	12,075	-	12,075
Equity shares issued during the year	592	-	(12,075)	11,521	-	-	-	-	-	-	38	961	999
Amount utilized for issue of shares	-	-	-	(30)	-	-	-	-	-	-	(30)	-	(30)
Issue of compulsory convertible debentures	-	579	-	-	-	-	-	-	-	-	579	-	579
Share-based payments	-	-	-	-	222	-	-	-	-	-	222	-	222
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	-	(6)	-	-	-	(6)	6	-
Equity component of compulsorily convertible debentures attributable to NCI	-	(579)	-	-	-	-	-	-	-	-	(579)	579	-
Debenture redemption reserve	-	-	-	-	-	365	(365)	-	-	-	-	-	-
At 31 March 2016	**2,608**	**147**	-	**31,244**	**1,397**	**370**	**(742)**	-	**(1)**	**(131)**	**34,892**	**1,665**	**36,557**
Profit for the year	-	-	-	-	-	-	335	-	-	-	335	171	506
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	114	(3)	(847)	(736)	(56)	(792)
Total Comprehensive Income	-	-	-	-	-	-	**335**	**114**	**(3)**	**(847)**	**(401)**	**115**	**(286)**
Share-based payments	-	-	-	-	447	-	-	-	-	-	447	-	447
Share application money received	-	-	18,817	-	-	-	-	-	-	-	18,817	-	18,817
Amount utilised on exercise of stock options	-	-	-	-	(661)	-	-	-	-	-	(661)	-	(661)
Equity shares issued during the year	776	-	(18,815)	18,850	-	-	-	-	-	-	811	826	1,637
Amount utilized for issue of shares	-	-	-	(29)	-	-	-	-	-	-	(29)	-	(29)
Issue of compulsory convertible debentures	-	511	-	-	-	-	-	-	-	-	511	-	511
Share application pending for refund	-	-	(2)	-	-	-	-	-	-	-	(2)	-	(2)
Debenture redemption reserve	-	-	-	-	-	695	(695)	-	-	-	-	-	-
Adjustments for acquisition of interest by NCI in subsidiaries	-	-	-	-	-	-	(9)		-	-	(9)	9	-
Debentures converted into equity shares	-	(147)	-	-	-	-	-	-	-	-	(147)	-	(147)
Equity component of compulsorily convertible debentures attributable to NCI	-	(511)	-	-	-	-	-	-	-	-	(511)	511	-
At 31 March 2017	**3,384**	-	-	**50,065**	**1,183**	**1,065**	**(1,111)**	**114**	**(4)**	**(978)**	**53,718**	**3,126**	**56,844**

Summary of significant accounting policies

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: 26 July 2017

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

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 July 2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 26 July 2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 July 2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 July 2017

1 Corporate information

ReNew Power Ventures Private Limited (the "Parent" or "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 Parent and its subsidiaries (hereinafter collectively referred to as the "Group") are carrying out business activities relating to generation of electricity through non-conventional and renewable energy sources.

The Consolidated Financial Statements were authorized for issue with a resolution of the directors on 26 July 2017.

2 Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India and issued by the Institute of Chartered Accountants of India.

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

- Derivate financial instruments
- Assets and liabilities acquired under business combination
- Financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The significant accounting policies used in preparing the Consolidated Financial Statements are set out in Note 3 of these financial statements.

The Consolidated Financial Statements are presented in INR, which is the Group's functional and presentation currency and all values are rounded to nearest million except when otherwise stated.

The transition to Ind AS was carried out from the accounting principles generally accepted in India ("Indian GAAP") which is defined as "Previous GAAP" in Ind AS 101, "First-Time Adoption". An explanation of how the transition to Ind AS has impacted the Group's equity and profits is provided in the Consolidated Reconciliation of Equity as at 1 April 2015 and 31 March 2016 and Consolidated Reconciliation of Profit and Loss for the year ended 31 March 2016. The preparation of these Consolidated Financial Statements resulted in changes to the accounting policies as compared to most recent annual financial statements prepared under Indian GAAP. The accounting policies have been applied consistently to all periods presented in these Consolidated Financial Statements. These have also been applied in preparing the Ind AS opening Balance Sheet as at 1 April 2015 (date of transition) for the purpose of transition to Ind AS as required by Ind AS 101. The impact arising from the adoption of Ind AS as on the date of transition has been adjusted against Retained Earnings.

The items in the Consolidated Financial Statements have been classified considering the principles under Ind AS 1, "Presentation of Financial Statements".

3 Significant Accounting Policies

3.1 Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Group as at 31 March 2017. 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 arrangement 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.

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 the parent company, i.e., year ended on 31 March, 2017. 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:

a) 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.
b) 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.
c) Eliminate in full intragroup 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 fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 *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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- 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
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- 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.

3.2 Business Combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment (refer note 51).

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.

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 Payments 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.

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 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 profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. 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, 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 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 recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

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

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

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

3.4 Customer Contracts

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

3.5 Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the 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 in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 41 and 42)
The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps and forward exchange contracts are valued based on the quotation received from the respective banks which uses valuation techniques, which employs the use of market observable inputs. The valuation technique incorporates 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.

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 its accounting policies.

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.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

- Significant accounting judgments, estimates and assumptions (Refer Note 52)
- Quantitative disclosures of fair value measurement hierarchy (Refer Note 40)
- Financial instruments (including those carried at amortised cost) (Refer Note 39)

3.6 Revenue recognition

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

Sale of Power

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

Income from Engineering Procurement and Construction ("EPC") Contracts

Revenue from provision of supply under EPC contracts is recognised when all significant risks and rewards of ownership of the EPC contract have been passed to the buyer.

Revenue from provision of service is recognized 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 recognized on percentage of completion method and losses are accounted as soon as these are anticipated. However, profit is not recognized unless there is reasonable progress on the contract. 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.

Liquidated damages / penalties are provided for based on management's assessment of the estimated liability as per contractual terms and / or acceptances. Possible liquidated damages which can be levied by customers for delay in execution of project are accounted for as and when they are levied by the customer.

Sale of Renewable Energy Certificates ("RECs")

Income from sale of RECs is recognised on sale of these certificates and is classified under "Revenue from Operations".

Income from liquidated damages, compensation for loss of revenue and interest on advances

Income from liquidated damages, compensation for loss of revenue and interest on advance is recognised after certainty of receipt of the same is established.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend

Dividend income is recognized when the right to receive dividend is established by the reporting date.

Income from government grants

Refer note 3.24 for accounting policy.

3.7 Foreign Currencies

The Consolidated Financial Statements are presented in INR, which is also the functional currency and the currency of the primary economic environment in which the Group operates.

Transactions and balances

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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items that are measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.8 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 amounts 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 in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are recognised for undistributed profits of subsidiaries and joint arrangements, except when the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or 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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Minimum Alternate Tax

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

3.9 Property, plant and equipment

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

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

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the 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 the Consolidated Statement of Profit and Loss as and when incurred.

As permitted by Ind AS 101, the Group has an option to continue applying its Indian GAAP policy to apply paragraph 46A of AS 11, "Foreign Exchange Differences" for accounting of exchange differences arising on translation of long term foreign currency loans for the period ending immediately before the beginning of the first Ind AS financial reporting period.
Accordingly, the Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items (recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period) pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Derecognition

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

3.10 Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.
Gains or losses arising from derecognition of an intangible asset 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.

3.11 Depreciation / amortization

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

	Years
• Plant and equipment (solar rooftop projects)*	25 years or term of Power Purchase Agreement, whichever is less
• Plant and equipment (wind and solar power projects)*	18 – 25
• Plant and equipment (others)	5 – 18
• Office equipment	3 – 5
• Furniture & fixture	10
• Computers	3
• Computers servers	6
• Computer software	3-6
• Customer contracts	Over the term of Power Purchase agreement i.e. 25 years
• Development rights	Over the term of Power Purchase agreement i.e. 25 years
• Leasehold Improvements	Over the period of the leases

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

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds (this cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs).

The loan origination costs including loan processing fee, upfront fee, discount which are directly attributable to the acquisition of borrowings and premium on redemption of bonds are amortised basis the Effective Interest Rate (EIR) method over the term of the loan. The EIR amortisation is recognised under finance costs in the Statement of Profit or Loss. The amount amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

3.13 Exceptional Items

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

3.14 Earnings Per Share ("EPS")

Basic 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 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 issue is at a later date. Dilutive potential equity shares are determined independently for each period presented.
The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus

shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.15 Leases- As a lesee

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

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

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

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

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

3.16 Inventories

Inventories are valued at the lower of cost and net realisable value and accounted on weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

3.17 Impairment of non-financial assets

The Group assesses, 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 estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("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 are as per business financials model of the Group.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Consolidated Statement of Profit and Loss
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the 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. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. Such reversal is recognised in the Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as increase in revaluation.

Goodwill is not subject to amortisation and is tested for impairment annually, or more frequently when there is an indication that there may be impairment. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which goodwill relates. When the recoverable amount of the CGU is less than its carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

3.18 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 Consolidated Statement of Profit and Loss net of any reimbursement.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at their reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.19 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 recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

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

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

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

The 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 year-end carried out using the projected unit cost method. Remeasurements comprising of actuarial gain and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The Company presents the leave as current liability in the balance sheet, to the extent is does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.20 Share Based Payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

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

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

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

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

3.21 Financial instruments

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

Financial assets

Initial recognition and measurement

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

- **Debt instruments at fair value through other comprehensive income (FVTOCI)**

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

  a) The objective of the business model is achieved both by collecting contractual cash flows and sale of the financial assets, and
  b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

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

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

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

- **Equity investments**

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present the subsequent changes in the fair value in OCI. 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 recognized in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and 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 recognized in the Consolidated Statement of Profit and Loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has 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 (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered under a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When the Group has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, it continues to recognise the transferred asset. In that case, the Group also recognises 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 the expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt securities, Security deposits, Trade receivables and Bank balances.

b) Trade receivables.

The Group recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Financial liabilities

Initial recognition and measurement

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as described 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 Consolidated Statement of Profit and Loss. This category generally applies to borrowings.

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

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

Compound Instruments- Compulsory Convertible Debentures ("CCDs")

The Group determines the classification of CCDs at initial recognition.

Basis the terms of these CCDs the distributions to holders of such equity instruments are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

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

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

Derecognition

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

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 Consolidated 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.

3.22 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as interest rate swaps and forwards, 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 hedged 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 the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the Consolidated Statement of Profit and Loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the Consolidated Statement of Profit and Loss as finance costs.

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

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

(ii) Cash flow hedge

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 Consolidated Statement of Profit and Loss.

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

Amounts recognised in OCI are transferred to Consolidated Statement of Profit and Loss when the hedged 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.

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

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the Consolidated Statement of Profit and Loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the Consolidated Statement of Profit and Loss (as a reclassification adjustment).

3.23 Cash and Cash Equivalents

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

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.24 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates 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 the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives 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 has chosen to present grants related to an expense item as other income in the Consolidated Statement of Profit and Loss. Thus, Generation based incentive and Emission Reduction Certificates have been recognised as other income.

Generation based incentives ("GBI")

Income from generation based incentives 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 GBI for Grid Interactive Solar Power and Wind Power Projects.

Sale of Emission Reduction Certificates

Income from sale of Emission Reduction Certificates are recognised on actual sale due to uncertainty of market

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 recognized over the period of useful life of underlying asset.

3.25 Measurement of EBITDA

As permitted by Guidance Note on the Revised Schedule III of the Companies Act, 2013, the Group has elected to present earnings before interest, tax, depreciation and amortization ("EBITDA") as a separate line item on the face of the Consolidated Statement of Profit and Loss. The Group measures EBITDA on the basis of profit or losssss from continuing operations. In its measurement, the Group includes interest income but does not include depreciation and amortization expense, finance costs and tax expense.

3.26 Events occurring after the Balance Sheet date

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

3.27 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.

3.28 Standards issued but not yet effective:

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

Amendment to Ind AS 7:

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

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

(Amounts in INR million, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land#	Building	Plant and equipment	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost									
At 1 April 2015	992	2	34,679	-	8	2	9	35,692	7,886
Additions	694	-	30,260	52	6	-	6	31,018	35,749
Capitalised during the year	-	-	-	-	-	-	-	-	(30,260)
Disposals	(1)	-	-	-	(0)	-	-	(1)	-
At 31 March 2016	**1,685**	**2**	**64,939**	**52**	**14**	**2**	**15**	**66,709**	**13,375**
Additions during the year^	3,095	-	64,404	3	6	1	14	67,523	69,229
Acquistion of a subsidiary (note 51)	32	62	1,937	-	-	-	-	2,031	3,545
Disposals during the year#	-	-	(1)	-	(1)	-	(1)	(3)	(2,470)
Adjustments during the year*	-	-	(41)	-	-	-	-	(41)	(181)
Capitalised during the year	-	-	-	-	-	-	-	-	(64,404)
At 31 March 2017	**4,812**	**64**	**131,238**	**55**	**19**	**3**	**28**	**136,219**	**19,094**
Depreciation									
At 1 April 2015	-	0	2,758		2	1	4	2,765	-
Charge for the year (refer note 30)	-	1	2,066	4	2	0	3	2,076	-
Disposals	-		-		(0)			**(0)**	-
At 31 March 2016	**-**	**1**	**4,824**	**4**	**4**	**1**	**7**	**4,841**	**-**
Charge for the year (refer note 30)	-	8	3,779	6	4	0	6	3,803	-
Disposals during the year	-	-	-	-	(1)	-	(1)	(2)	-
At 31 March 2017	**-**	**9**	**8,603**	**10**	**7**	**1**	**12**	**8,642**	**-**
Net book value									
At 1 April 2015	**992**	**2**	**31,921**	**-**	**6**	**1**	**5**	**32,927**	**7,886**
At 31 March 2016	**1,685**	**1**	**60,115**	**48**	**10**	**1**	**8**	**61,868**	**13,375**
At 31 March 2017	**4,812**	**55**	**122,635**	**45**	**12**	**2**	**16**	**127,577**	**19,094**

^ Capitalised borrowing costs
The amount of borrowing costs capitalised in Property, plant & equipment during the year ended 31 March 2017 was INR 1,076 (31 March 2016 INR 506). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

Mortgage and hypothecation on Property, plant & equipment:

Property, plant & equipment are subject to a pari passu first charge to respective lenders for senior secured bonds, project term loans, buyer's/supplier's credit and acceptances as disclosed in Note 15 and Note 19.

#The title represented by sale deeds in respect of land amounting to INR 495 (31 March 2016 INR 315 ; 1 April 2015 INR 68) is not yet in the name of the Group. Further, the title of land amounting to INR 884 as at 31 March 2017 is held by way of General Power of Attorney (GPA) and company is in the process of getting title transferred in its name.

***Adjustment to Property, Plant & Equipments during the year are as follows**

ReNew Solar Energy (TN) Private Limited
Adjustment during the year pertains to actualisation of certain provisional capitalization of supply of goods and services and early closure of letter of credit impacting to INR 21.

ReNew Solar Energy (Karnataka) Private Limited
Adjustment is on account of revision of agreement with ReNew Solar Power Private Limited of INR 20.

***Adjustment to Capital Work in progress during the year are as follows**

ReNew Wind Energy (Welturi) Private Limited
During the current year CWIP amounting to INR 33 has been written off to the extent of non-viability of recovery of cost in future.

ReNew Wind Energy (Sipla) Private Limited
Adjustment during the year comprises of INR 3 transfer of capital work in progress to fellow subsidiary and INR 5 for capital work in progress written off.

ReNew Wind Energy (Rajasthan One) Private Limited

Certain cost capitalised on provisional basis of INR 131 upto last year has also been reversed. There is no impact on the statement of Profit and Loss on account of such settlement.

ReNew Wind Energy (Jamb) Private Limited
During the current year CWIP amounting to INR 8 has been written off to the extent of non-viability of recovery of cost in future.

 # Disposals in Capital Work in Progress includes following

ReNew Wind Energy (Rajasthan One) Private Limited
During the year, pursuant to cancellation of contract with the vendor for Dangri II- Rajasthan project, Company has sold back project specific wind power plant related equipments lying in CWIP upto 31 March 2016 for INR 1,865 to the vendor. There is no impact on the statement of Profit and Loss on account of such settlement.

ReNew Wind Energy (MP) Private Limited

During the year, pursuant to cancellation of contract with the vendor for Pethshivpur project, Company has sold back project specific wind power plant related equipments lying in CWIP upto 31 March 2016 for INR 598 to the vendor.

(Amounts in INR million, unless otherwise stated)

5 Intangible assets	**Computer software**	**Customer Contracts**	**Development Rights**	**Total Intagibles**	**Goodwill**	**Intangible asset under development**
Cost						
At 1 April 2015	33	-		33	23	12
Additions	22	-	-	22	-	10
Capitalised during the year	-	-	-	-	-	(22)
At 31 March 2016	**55**	**-**	**-**	**55**	**23**	**-**
Additions during the year	23	-	-	23	-	-
Acquistion of a subsidiary (note 51)	-	1,099	36	1,135	270	-
Capitalised during the year	-	-	-	-	-	-
At 31 March 2017	**78**	**1,099**	**36**	**1,213**	**293**	**-**
At 1 April 2015	4	-	-	4	-	-
Amortisation (refer note 30)	9	-	-	9	-	-
At 31 March 2016	**13**	**-**	**-**	**13**	**-**	**-**
Amortisation (refer note 30)	12	13	0	25	-	-
At 31 March 2017	**25**	**13**	**0**	**38**	**-**	**-**
Net book value						
At 1 April 2015	**29**	**-**	**-**	**29**	**23**	**12**
At 31 March 2016	**42**	**-**	**-**	**42**	**23**	**-**
At 31 March 2017	**53**	**1,086**	**36**	**1,175**	**293**	**-**

(Amounts in INR million, unless otherwise stated)

6 Financial assets	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless otherwise stated)			
Loans			
Security deposits	22	27	20
	22	**27**	**20**
Others			
Bank deposits with remaining maturity for more than twelve months (refer note 12)	31	2,393	616
Total	**31**	**2,393**	**616**
Current (Unsecured, considered good unless otherwise stated)			
Financial assets at fair value through OCI			
Cash flow hedges			
Derivative instruments	-	180	-
Total	**-**	**180**	**-**
Financial assets at fair value through Profit and Loss			
Investments			
Quoted mutual funds:			
L&T Liquid Fund- Regular Growth (31 March 2017 : 621 units, 31 March 2016: Nil, 1 April 2015: Nil)	2	-	-
DHFL Pramerica (31 March 2017 : 209,009 units, 31 March 2016: Nil, 1 April 2015: Nil)	4	-	-
Total	**6**	**-**	**-**
Aggreate book value of quoted investments	6	-	-
Aggreate market value of quoted investments	6	-	-
Loans			
Security deposits	0	4	2
	0	**4**	**2**
Others			
Unbilled revenue**	1,883	679	339
Interest accrued on fixed deposits	105	260	69
Insurance claim receivable	7	0	-
Total	**1,995**	**939**	**408**

**This includes an amount of INR 22 million (31 March 2016: INR 22 million; 1 April 2015: INR 22 million) which pertains to supply of units prior to entering of wheeling and banking agreement with KPTCL. The same is under litigation.

7 Deferred tax

7 A Deferred tax assets (net)		31 March 2017	31 March 2016	1 April 2015
Deferred tax relates to the following:				
Deferred tax related to items recognised in OCI:				
Deferred tax assets (gross)				
Loss on mark to market of derivative instruments		399	73	35
Re-measurement of losses on defined benefits plan		2	0	-
	(a)	**401**	**73**	**35**
Deferred tax related to items recognised in equity:				
Deferred tax assets (gross)				
Compound Financial Instruments		131	18	-
	(b)	131	18	-
Deferred tax related to items recognised in statement of profit and loss:				
Deferred tax liabilities (gross)				
Unamortized ancillery borrowing cost		7	-	-
Difference in written down value as per books of account and tax laws		546	129	68
	(c)	**553**	**129**	**68**
Deferred tax assets (gross)				
Operation and maintenance		43	42	39
Compound Financial Instruments		15	3	
Unused tax credit (MAT)		377	-	
Losses available for offsetting against future taxable income		907	705	429
Others		21	34	26
	(d)	1,363	784	494
	(e) = (d) - (c)	**810**	**655**	**426**
Deferred tax assets (net)	**(a) + (b)+ (e)**	**1,342**	**746**	**461**

(Amounts in INR million, unless otherwise stated)

7 B Deferred tax liabilities (net)

Deferred tax relates to the following:		**31 March 2017**	**31 March 2016**	**1 April 2015**
Deferred tax related to items recognised in OCI:				
		-	-	-
Deferred tax assets (gross)				
Re-measurement losses on defined benefit plans		-		-
Loss on mark to market of derivative instruments		64	-	-
	(f)	**64**	**-**	**-**
Deferred tax liabilities (gross)				
Loss on mark to market of derivative instruments		-	17	-
	(g)	**-**	**17**	**-**
Deferred tax related to items recognised in equity:				
		31 March 2017	**31 March 2016**	**1 April 2015**
Deferred tax assets (gross)				
Compound Financial Instruments			0	-
	(h)	**-**	**0**	**-**
Deferred tax related to items recognised in statement of profit and loss:				
		31 March 2017	**31 March 2016**	**1 April 2015**
Deferred tax liabilities (gross)				
Difference in written down value as per books of account and tax laws		733	215	47
Unamortised ancillary borrowing cost		3	-	12
Business combinations		20	-	-
Others		0	-	-
	(i)	**756**	**215**	**59**
Deferred tax assets (gross)				
Operation and maintenance		12	12	5
Unused tax credit (MAT)		266		-
Losses available for offsetting against future taxable income		31	52	4
Others		23	1	0
	(j)	332	65	9
	(k) = (i) - (j)	**424**	**150**	**50**
Deferred tax liabilities (net)	**(k) + (g) - (h) - (f)**	**360**	**167**	**50**

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

	31 March 2017	**31 March 2016**
Accounting profit before income tax	**1,015**	**1,012**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	444	337
Adjustments in respect of current income tax of earlier years	-	2
Deferred tax expense reported in the statement of profit and loss*	68	(130)
Income not chargeable to tax:		
Other income	(1)	-
Non-deductible expenses for tax purposes:		
Management consultancy services	-	6
Operating and maintenance expenses equalized	-	26
Amortization of Ancillary Borrowing Costs	-	15
Interest on compound financial instrument	-	6
Depreciation and amortization expense (net)	0	(28)
Other non deductible expenses	8	4
Deductible expenses for tax purposes:		
Brought forward losses / unabsorbed depreciation	(8)	0
Income Chargeable to Tax:		
Increase/(Decrease) in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	(5)	-
Interest income on fixed deposit with banks	3	-
Liquidated damages (refer note 48)	-	(141)
At the effective income tax rate	**509**	**97**
Current tax expense reported in the statement of profit and loss	**441**	224
Deferred tax expense reported in the statement of profit and loss	**68**	(130)
Tax for earlier years	-	3
	509	**97**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	(139)	(322)
Operation and maintenance	(2)	(10)
Unused tax credit (MAT)	(638)	-
Difference in WDV as per books of accounts and tax laws	835	214
Compound Financial Instruments	(12)	(3)
Others	24	(9)
	68	(130)

(Amounts in INR million, unless otherwise stated)

Reconciliation of deferred tax assets (net):

	31 March 2017	31 March 2016
Opening balance of DTA/DTL (net) on 1 April	**579**	**411**
Deferred tax income/(expense) during the period recognised in profit or loss	(68)	130
Deferred tax income/(expense) during the period recognised in OCI	408	21
Deferred tax income/(expense) due to rate change recognised in OCI	-	-
Deferred tax on initial recognition of compound financial instruments (netted through equity)	116	17
Deferred tax income/(expense) during the period due to business combination	(53)	
Closing balance of DTA/DTL (net) as at 31 March	**982**	**579**

The group has tax losses and unabsorbed depreciation which arose in India of INR 10,707 (31 March 2016: INR 3,992; 1 April 2015: INR 2,177.
Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 566 (31 March 2016: INR 330 ; 1 April 2015: INR 269). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 10,141 (31 March 2016: INR 3,662 ; 1 April 2015: INR 1,908).
The group has recognised deferred tax asset of INR 938,072,097, (31 March 2016: INR 757,089,222 ; 1 April 2015: INR 432,385,777) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

8 Prepayments

	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless otherwise stated)			
Prepaid expenses	770	68	79
Total	**770**	**68**	**79**
Current (Unsecured, considered good unless otherwise stated)			
Prepaid expenses	210	54	95
Total	**210**	**54**	**95**

9 Other assets

	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless otherwise stated)			
Capital advance	8,352	9,377	5,943
Advances recoverable in cash or kind	252	51	160
Advance income tax (net of income tax provisions)	770	363	93
Deferred Rent	8	8	10
VAT recoverable	154	190	189
Unamortised option premium	-	-	15
Input service tax recoverable	-	1	2
Balances with Government authorities	-	-	4
Security deposits	34	23	65
Total	**9,570**	**10,013**	**6,481**

Current (Unsecured, considered good unless otherwise stated)	31 March 2017	31 March 2016	1 April 2015
Advances recoverable	2,085	368	118
Unamortised option premium	-	16	33
Deferred Rent	2	1	1
Balances with Government authorities	44	13	-
Government grants*			
Generation based incentive receivable	547	255	148
Others	0	2	1
Total	**2,678**	**655**	**301**

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

10 Inventories

(At lower of cost and net realizable value)	31 March 2017	31 March 2016	1 April 2015
Consumables & Spares	14	-	-
Total	**14**	**-**	**-**

11 Trade receivables

	31 March 2017	31 March 2016	1 April 2015
Unsecured, considered good unless stated otherwise	4,841	3,200	734
Total	**4,841**	**3,200**	**734**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

12 Cash and cash equivalents

	31 March 2017	31 March 2016	1 April 2015
Cash on hand	0	0	0
Cheque on hand	0	-	-
Balance with bank			
- On current accounts	8,170	1,924	1,346
- Deposits with original maturity of less than 3 months*	18,969	1,708	6,528
	27,139	**3,632**	**7,874**
Bank balances other than cash and cash equivalents			
Deposits with			
- Remaining maturity for less than twelve months*	4,507	9,908	2,173
- Remaining maturity for more than twelve months*	31	2,393	616
	4,538	**12,301**	**2,789**
Less: amount disclosed under financial assets (others) (note 6)	(31)	(2,393)	(616)
Total	**4,507**	**9,908**	**2,173**

*Fixed deposits of INR 1,192 (31 March 2016: INR 25 ; 1 April 2015: INR 25) are under liened with lenders for the purpose of Debt Service Reserve Account (DSRA) and Fixed deposits of INR 3,032 (31 March 2016: INR 577 ; 1 April 2015: INR 358) have been given to Banks as margin money for the purpose of letter of credit/bank gurantee.

(Amounts in INR million, unless otherwise stated)

13 Share capital

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2015	215,000,000	2,150
Increase during the year	85,000,000	850
At 31 March 2016	300,000,000	3,000
Increase during the year	70,000,000	700
At 31 March 2017	**370,000,000**	**3,700**

Issued share capital

13 A Equity shares of INR 10 each issued, subscribed and fully paid up	**Number of shares**	**Amount**
At 1 April 2015	201,627,890	2,016
Shares issued during the year*	62,110,208	592
At 31 March 2016	263,738,098	2,608
Shares issued during the year**	74,623,574	776
At 31 March 2017	**338,361,672**	**3,384**

* includes 3,816,794 equity shares of Rs 10 each against which Rs. 2.5 per equity share is paid up.
** includes INR 29 for equity shares issued during previous year, against full & final call of INR 7.5 per share.

Terms/rights attached to equity shares

The Company have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the Company will declare and pay dividends in Indian rupees.
In the event of liquidation of a Company, the holders of equity shares of such Company will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the Company.

13 B Equity component of compulsory convertible debentures (CCD)	**Number of debentures**	**Total proceeds**	**Liability component (refer note 15)**	**Equity component***
At 1 April 2015	14,712,000	147	-	147
Debentures issued during the year	5,655,757	679	118	579
Accretion during the year	-	-	11	-
Attributable to Non controlling interests	-	-	-	(579)
At 31 March 2016	20,367,757	826	129	147
Debentures issued during the year	7,749,530	813	415	511
Debentures converted into Equity shares	(14,712,000)	(147)	-	(147)
Accretion during the year	-	-	43	-
Attributable to Non controlling interests	-	-	-	(511)
At 31 March 2017	**13,405,287**	**1,492**	**587**	**-**

(*Adjusted for deferred tax at inception)

Terms of conversion of CCDs

ReNew Power Ventures Private Limited

Compulsory Convertible Debentures were redeemable by compulsory conversion into equity at the end of 10 years from the date of issue,viz, 23 September 2011 or in accordance with other terms of Investor Agreement. The CCD's carried a non-cumulative interest coupon rate of 0.001% per annum on its face value. The CCD's did not had any voting rights and were not entitled to any dividend on the underlying shares as long as not converted into equity shares. During the year these CCD's were converted into equity shares. Closing balance as on 31 March 2017 is Nil (31 March 2016: INR 147; 1 April 2015: INR 147)

ReNew Solar Energy (Karnataka) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2017 is INR 179 (31 March 2016: INR 179 ; 1 April 2015: Nil)

ReNew Akshay Urja Private Limited
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., June 17, 2035 or in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 0.01% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2017 is INR 500 (31 March 2016: INR 500 ; 1 April 2015: Nil)

ReNew Solar Energy (Telangana) Private Limited
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2017 is INR 620 (31 March 2016: Nil ; 1 April 2015: Nil)

ReNew Mega Solar Private Limited
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2017 is INR 194 (31 March 2016: Nil ; 1 April 2015: Nil).

13 C Shares held in the Company	**31 March 2017**		**31 March 2016**		**1 April 2015**	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
GW Wyvern Holding Ltd, the holding company	184,709,600	1,847	180,929,112	1,809	169,587,648	1,696

No shares are held by any subsidiary or associate of the holding company.

(Amounts in INR million, unless otherwise stated)

13 D Details of shareholders holding more than 5% shares in the

	31 March 2017		31 March 2016		1 April 2015	
	Number	% Holding	Number	% Holding	Number	% Holding
GW Wyvern Holding Ltd, the holding company	184,709,600	54.59%	180,929,112	68.60%	169,587,648	84.11%
Green Rock A 2014 Limited	60,487,804	17.88%	45,365,853	17.20%	-	-
Asian Development Bank	22,837,015	6.75%	22,837,015	8.66%	22,837,015	11.33%
JERA Power RN B.V.	34,411,682	10.17%	-	-	-	-

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

13 E No shares have been alloted without payment of cash or by way of bonus shares during the period of five years immediately preceeding the balance sheet date.

14 Other equity

14.1 Share application money pending allotment	
At 1 April 2015	-
Share application money received	12,075
Equity shares issued during the year	(12,075)
At 31 March 2016	-
Share application money received	18,817
Equity shares issued during the year	(18,815)
At 31 March 2017	**2**
Less: Amount disclosed under 'other current liabilities' (refer note 22)	(2)
	-
14.2 Share premium	
At 1 April 2015	19,753
Premium on issue of equity shares during the year	11,521
Amount utilized against for issue of equity shares	(30)
At 31 March 2016	**31,244**
Premium on issue of equity shares during the year	18,850
Amount utilized against for issue of equity shares	(29)
At 31 March 2017	**50,065**
14.3 Capital Reserve	
At 1 April 2015	-
Additions during the year	-
At 31 March 2016	**-**
Additions during the year	114
At 31 March 2017	**114**
14.4 Debenture redemption reserve	
At 1 April 2015	5
Amount transferred from surplus balance in retained earnings*#	365
At 31 March 2016	**370**
Amount transferred from surplus balance in retained earnings*	695
At 31 March 2017	**1,065**
14.5 Hedging Reserve	
At 1 April 2015	(79)
Losses arising during the year on cash flow hedges	(55)
Attributable to Non-controlling interests	3
At 31 March 2016	**(131)**
Losses arising during the year on cash flow hedges	(903)
Attributable to Non-controlling interests	56
At 31 March 2017	**(978)**
14.6 Defined benefit obligation reserve	
At 1 April 2015	-
Gain/loss for the year	(1)
At 31 March 2016	**(1)**
Gain/loss for the year	(3)
At 31 March 2017	**(4)**
14.7 Share Based Payment reserve	
At 1 April 2015	1,175
Expense for the year	222
At 31 March 2016	**1,397**
Expense for the year	447
Amount utilised on exercise of stock options	(661)
At 31 March 2017	**1,183**
14.8 Retained earnings	
At 1 April 2015	(1,189)
Profit for the year	818
Adjustments for acquisition of interest by NCI in subsidiaries	(6)
Appropriation for debenture redemption reserve	(365)
At 31 March 2016	**(742)**
Statement of Profit & Loss	335
Adjustments for acquisition of interest by NCI in subsidiaries	(9)
Appropriation for debenture redemption reserve	(695)
At 31 March 2017	**(1,111)**

* As per rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 the group is required to create Debenture Redemption Reserve (DRR) from profits available for dividend and accordingly Group had created a reserve of Rs. 365 in the previous year in accordance with the profits computed with Previous GAAP. No adjustment has been made to such reserves pursuant to change in profits available for distribution for previous year due to application of Ind AS.

#Due to insufficient profit during the current year, DRR has been created only to the extent of current year's available profit in Group. Resultantly, there is a overall shortfall as at 31 March 2017 INR 60 and 31 March 2016 INR 6.

(Amounts in INR million, unless otherwise stated)

15 Long-term borrowings	Maturity	Non-current 31 March 2017	Non-current 31 March 2016	Non-current 1 April 2015	Current 31 March 2017	Current 31 March 2016	Current 1 April 2015
Debentures (secured)							
10.40% 5,000, secured, rated, unlisted redeemable, non cumulative and non convertible debentures (secured) of Rs. 1,000,000 each issued to Reliance Capital Limited	30 July 2021	4,944	-	-	-	-	-
10.30% 2,000, secured, rated, unlisted redeemable, non cumulative and non convertible debentures of Rs. 1,000,000 each	28 September 2022	1,993	-	-	-	-	-
12.68% - 13.01% 4,000, secured, rated, unlisted redeemable, non cumulative and non convertible debentures of Rs. 1,000,000 each	23 March 2020	3,969	3,959	3,949	-	-	-
11.00% 2,835, secured, rated, unlisted redeemable, non cumulative and non convertible debentures (secured) of Rs. 1,000,000 each issued to Yes Bank	10 September 2030	2,800	2,789	-			
11.35% 2,000, 11.35%, Rates, Unlisted, redeemable, non-cumulative, taxable non convertible debentures of Rs 1,000,000 each	1 November 2022	1,993	-	-	-	-	-
10.25% 1,000, 10.25%, Rates, Unlisted, redeemable, non-cumulative, taxable non convertible debentures of Rs 1,000,000 each	29 November 2019	1,000	-	-	-	-	-
9.75%, 4,510,000 listed, redeemable, non convertible debentures of INR 1,000,000 each (cumulative repayment 31 March 2017 INR 44, 31 March 2016 INR 22, 1 April 2015 INR Nil)	31 March 2033	4,099	4,251	-	153	92	-
11% Compulsorily Convertible Debentures (unsecured) (includes accretion on CCDs of INR 16 (31 March 2016 INR 11 ; 1 April 2015 INR Nil))	2015-2035	144	128	-	-	-	-
0.01% Compulsorily Convertible Debentures (unsecured)	17 June 2035	0	0	-	-	-	-
8% Compulsorily Convertible Debentures (unsecured) (includes accretion on CCDs of INR 20 (31 March 2016 INR Nil ;1 April 2015 INR Nil)	22 August 2036	337	-	-	-	-	-
8% Compulsorily Convertible Debentures (unsecured) (includes accretion on CCDs of INR 632 (31 March 2016 INR Nil ; 1 April 2015 INR Nil))	20 September 2036	105	-	-	-	-	-
	(a)	**21,384**	**11,127**	**3,949**	**153**	**92**	**-**
Bonds (secured)							
10.629% Senior Secured Bonds	8 February 2022	31,151	-	-	-	-	-
	(b)	**31,151**	**-**	**-**	**-**	**-**	**-**

(Amounts in INR million, unless otherwise stated)

15 Long-term borrowings

		Non-current			Current		
	Maturity	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Term loan in Indian rupees (secured)							
From Banks							
13.00% Yes Bank	31 March 2026	-	-	415	-	-	28
13.00% Central Bank of India	31 March 2026	-	-	1,303	-	-	87
13.00% Vijaya Bank	31 March 2026	-	-	414	-	-	28
11.50% Yes Bank	16 September 2015	-	-	1,071	-	-	-
11.00% Kotak Bank	05 August 2016	-	1,133	-	-	-	-
3.85% plus 6 months libor, foreign currency loans from RABO (secured)	30 September 2026	1,068	1,176	1,177	80	73	76
3.85% plus 6 months libor, foreign currency loans from FMO (secured)	30 September 2026	1,068	1,176	1,177	80	73	76
11.20% Saraswat Bank	31 December 2026	342	366	388	25	22	22
11.60% State Bank of India	31 December 2026	379	406	430	27	25	24
10.60% Canara Bank	17 February 2017	-	148	162	-	14	14
12.25% Union Bank of India	9 May 2015	-	-	431	-	-	31
13.00 % Union Bank	18 June 2015	-	-	528	-	-	38
11.05% IDFC Bank	15 December 2025	520	440	-	43	41	-
12.45% Canara Bank	21 October 2015	-	-	875	-	-	62
11.25% Shamrao Vithal Cooperative Bank Limited	22 February 2017	-	469	463	-	17	33
11.25% Oriental Bank of Commerce	17 February 2017	-	342	-	-	2	-
11.25% Dena Bank	22 February 2017	-	342	-	-	2	-
11.25% Kotak Mahindra Bank	17 February 2017	-	381	-	-	9	-
11.25% Tamilnad Mercantile Bank Limited	17 February 2017	-	356	-	-	4	-
12.25% State Bank of Hyderabad	01 January 2016	-	-	460	-	-	30
11.25% Yes Bank	17 February 2017	-	91	-	-	0	-
3% plus 3 months LIBOR, RABO Bank International	30 September 2021	2,564	2,553	-	65	-	-
3.65% plus 3 months LIBOR, FMO Enterpreneurial Development Bank	31 December 2029	2,549	2,547	-	72	4	-
11.00% IndusInd Bank Limited	30 June 2033	1,243	-	-	-	-	-
11.75% Export Import bank of India	17 February 2017	-	226	-	-	10	-
11.50% Yes bank	17 February 2017	-	451	-	-	-	-
11.75% Union Bank of India	30 September 2032	209	-	-	2	-	-
11.75% Canara Bank	30 September 2032	105	-	-	1	-	-
11.75% Central Bank of India	30 September 2032	217	-	-	3	-	-
11.75% IndusInd Bank	30 September 2032	133	-	-	1	-	-
11.75% State Bank of Hyderabad	30 September 2032	233	-	-	3	-	-
11.75% Andhra Bank	30 September 2032	107	-	-	2	-	-
11.25% State Bank of India	31 March 2035	487	-	-	2	-	-
11.20% Punjab & Sindh Bank	31 March 2035	48	-	-	0	-	-
11.70% Yes bank	30 June 2031	551	-	-	6	-	-
11.25% IDFC Bank Limited	31 March 2034	368	-	-	-	-	-
2.40% plus 3 month CD's rate, RABO Bank	31 December 2019	1,831	-	-	-	-	-
11.25% IDFC Bank Limited	31 March 2034	298	-	-	-	-	-
11.25% IDFC Bank Limited	31 March 2034	335	-	-	-	-	-
11.15% United bank of India	01 Feb 2017	-	-	-	-	-	-
11.45% Allahbad Bank	01 Feb 2017	-	-	-	-	-	-
11.25 % IDFC Bank	31 March 2034	375	-		-	-	-
11.25 % IDFC Bank	31 March 2034	316	-	-	-	-	-
11.25 % IDFC Bank	31 March 2034	335	-	-	-	-	-
	(c)	**15,681**	**12,603**	**9,294**	**412**	**296**	**549**

(Amounts in INR million, unless otherwise stated)

15 Long-term borrowings

		Non-current			Current		
Long-term borrowings	**Maturity**	**31 March 2017**	**31 March 2016**	**1 April 2015**	**31 March 2017**	**31 March 2016**	**1 April 2015**
From financial institutions							
11.10% India Infra Finance Company Limited	31 March 2026	-	-	1,663	-	-	117
12.75% Reliance Capital Limited	1 April 2029	31	33 #	-	2 #	2 #	-
10.85% Indian Renewable Energy Development Agency Limited (IREDA)	30 Sepetmeber 2030	1,354	-	-	109	-	-
13.00% Indian Renewable Energy Development Agency Limited (IREDA)	31 December 2027	-	-	1,649	-	-	33
11.50% L&T Infrastructure Limited	21 March 2017	-	633	-	-	30	-
11.50% L&T Financial Corporation Limited	21 March 2017	-	802	-	-	36	-
14.75% Power Finance Corporation	02 April 2016	-	537	809	-	78	129
13.00% L&T FinCorp Limited	17 February 2017	-	241	-	-	5	-
11.00% L&T Infra Finance Limited	17 February 2017	-	628	-	-	14	-
11.75% L&T Infrastructure Finance Co. Limited.	17 February 2017	-	2,237	2,157	-	77	42
12.00% L&T FinCorp Limited	17 February 2017	-	512	-	-	57	-
11.70% IREDA	30 June 2030	1,936	1,707	-	173	28	-
11.00% India Infradebt Limited	6 April 2017	-	-	-	373	-	-
11.50% PTC India Financial Services Limited	17 February 2017	-	201	220	-	19	19
13.00% PTC India Financial Services Limited	25 June 2015	-	-	525	-	-	37
12.60% IDFC Limited	22 June 2015	-	-	947	-	-	67
10.60% India Infrastructure Finance Company Limited	22 February 2017	-	343	375	-	32	32
10.60% India Infrastructure Finance Company Limited	22 February 2017	-	753	-	-	65	-
11.00% L&T Infrastructure Finance Company Limited	17 February 2017	-	13	-	-	1	-
10.45% L&T Infra Debt Fund Limited	17 February 2017	-	355	-	-	26	-
11.00% Tata Cleantech Capital Limited	17 February 2017	-	530	-	-	39	-
12.00% L & T Infrastructure Finance Company Limited-Subordinate Debt	17 February 2017	-	565	-	-	9	-
13.00% PTC India Financial Services Limited	25 June 2015	-	-	273	-	-	19
13.00% Reliance Capital Limited	18 June 2015	-	-	264	-	-	19
10.80% IDFC Infra Debt Fund Limited	15 December 2025	550	594	-	43	41	-
11.25% PTC India Financial Services Limited	17 February 2017	-	562	450	-	21	32
12.50% Tata Cleantech Capital Limited	30 September 2015	-	-	353	-	-	25
11.75% IREDA	31 December 2025	427	465	498	38 #	34	29
11.00% L&T Infrastructure Finance Company Limited	31 March 2032	552	571	2,258	19	17	145
11.00% L&T Finance Limited	31 March 2032	1,738	1,797	-	59	53	-
12.25% PTC India Financial Services Limited	30 September 2031	993	688	-	66	33	-
11.00% PTC India financial Services Limited	21 February 2017	-	542	-	-	15	-
12.35% Indian Renewable Energy Development Agency Limited (IREDA)	30 September 2027	1,127	1,211	1,295	85	82	60
11.35% L & T Infrastructure Limited	31 March 2031	977	868	-	45	32	-
11.35% L & T Financial Corporation Limited	31 March 2031	548	486	-	24	17	-
10.90% L&T Finance Limited	31 March 2035	2,062	-	-	-	-	-
10.90% L&T Finance Limited. 1	31 March 2035	624	-	-	-	-	-
10.90% L&T Finance Limited. 2	31 December 2034	797	-	-	-	-	-
10.90% L&T Finance Limited. 3	31 December 2033	317	-	-	-	-	-
10.90% L&T FinCorp Limited	31 March 2035	423	-	-	-	-	-
13.25% Indian Renewable Energy Development Agency Limited	30 September 2028	318	-	-	42	-	-
10.75% L&T Infrastructure Finance Company Limited	30 March 2035	1,318	-	-	18	-	-
12.75% Reliance Capital Limited	30 September 2032	6	7	7	0	-	-
12.75% Reliance Capital Limited	30 September 2032	27	-	-	0	-	-
12.00% L&T Infrastructure Finance Company Limited	17 February 2017	-	586	343	-	26	-
11.75% PTC India Financial Services Limited	30 September 2032	125	-	-	1 #	- #	-
11.75% India Infrastructure Finance Company Limited	30 September 2032	204	-	-	2 #	- #	-
11.75% TATA Cleantech Capital Limited	30 September 2032	135	-	-	2 #	- #	-
10.45% L&T Infra Debt Limited- Tranche A	1 June 2029	244	-	-	11	-	-
10.45% L&T Infra Debt Limited- Tranche B	1 June 2032	197	-	-	4	-	-
11.35% TATA Cleantech Capital Limited	1 June 2029	234	-	-	12	-	-
10.45% L&T Infra Debt Limited- Tranche A	1 June 2029	244	-	-	11	-	-
10.45% L&T Infra Debt Limited- Tranche B	1 June 2032	202	-	-	5	-	-

(Amounts in INR million, unless otherwise stated)

15 Long-term borrowings	**Maturity**	**Non-current**			**Current**		
		31 March 2017	**31 March 2016**	**1 April 2015**	**31 March 2017**	**31 March 2016**	**1 April 2015**
11.35% TATA Cleantech Capital Limited	1 June 2029	243	-	-	12	-	-
10.75% L&T Finance Corporation	31 March 2034	245	-	-	10	-	-
10.75% L&T Infrastructure Finance Company Limited	31 March 2034	47	-	-	2	-	-
10.75% L&T Finance Limited	31 March 2034	245	-	-	10	-	-
10.75% L&T Infrastructure Finance Company Limited	01 March 2034	47	-	-	2	-	-
	(d)	**18,537**	**18,467**	**14,086**	**1,180**	**889**	**805**
Buyer's/ Supplier's credit (secured)		15,692	9,706	1,183	-	-	-
	(e)	**15,692**	**9,706**	**1,183**	**-**	**-**	**-**
Total long-term borrowings	**(a) + (b) + (c) + (d) + (e)**	**102,445**	**51,903**	**28,512**	**1,745**	**1,277**	**1,354**
Amount disclosed under the head "Other current financial liabilities" (refer note 22)		-	-	-	(1,745)	(1,277)	(1,354)
Net long-term borrowings		**102,445**	**51,903**	**28,512**	**-**	**-**	**-**

Effective interest rate on above borrowings ranges from 8.71% - 13.44%.

Terms of the long term borrowings:

(a) Terms of issue, redemption and security of redeemable, non cumulative non convertible debentures

Renew Wind Energy (Jath) Limited

9.75%, 4,510,000 secured, listed, partially guaranteed, redeemable, non-convertible debentures amounting to INR 5 are redeemable in 36 structured half yearly instalments starting from 30 September 2015 and ending on March 31, 2033. These debentures are secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

Net carrying amount on 31 March 2017 is INR 4,252 (31 March 2016 INR.4,343 (1 April 2015 INR.Nil)

(b) Terms of issue, redemption and security of unlisted, redeemable, non cumulative non convertible debentures

Renew Power Ventures Private Limited

INR 5,000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures.

10.40%, 5000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR.5,000 (31 March 2016: Nil, 1 April 2015: Nil). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. August 01, 2016.

These debentures are secured by a first and exclusive mortgage and charge on non agricultural land admeasuring 1.5 acre in Aranvihira village, Taluka- Asthi, District- Beed, Maharashtra and a first pari passu charge and hypothecation on the Company's movable assets, current assets, cash accruals including but not included to revenues, receivables, book debts, cash and bank balances, trust and escrow accounts, both present and future, excluding movable and current assets, forming part of project undertaken by company and investment in equity and preference shares not pledge by the company. Net carrying amount on 31 March 2017 is INR 4,943 (31 March 2016 : Nil, 1 April 2015 : Nil)

INR 2,000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures.

10.30%, 2000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 2,000 (31 March 2016: Nil, 1 April 2015: Nil). These debentures are redeemable at par at the end of 6 years from the date of allotment viz. September 28, 2016. same is secured by way of 1st pari passu charge on the Company's movable assets, current assets, cash accruals and first ranking pledge of unencumbered specified shares and/or preference shares, held by the Company (excluding charge on project assets which are part of power projects implemented by the Company). Net carrying amount on 31 March 2017 is INR 1993 (31 March 2016 : Nil, 1 April 2015 INR Nil)

INR 4,000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures.

Debentures have been issued in 6 series as follows:
Series 1: 12.68%, 500 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 500 (31 March 2016: INR 500, 1 April 2015: INR 500). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.
Series 2: 12.68%, 500 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 500 (31 March 2016: INR 500, 1 April 2015: INR 500). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.
Series 3: 12.68%, 1,000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 1,000 (31 March 2016: INR 1,000 1 April 2015: INR 1,000). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.
Series 4: 13.01%, 500 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 500 (31 March 2016: INR 500, 1 April 2015: INR 500). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.
Series 5: 13.01%, 500 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 500 (31 March 2016: INR 500, 1 April 2015: INR 500). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.
Series 6: 13.01%, 1,000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 1,000 (31 March 2016: INR 500, 1 April 2015: INR 500). These debentures are redeemable at par at the end of 5 years from the date of allotment viz. March 23, 2015.

The Company has pledged investment in equity shares of ReNew Wind Energy (Varekarwadi) Private Limited (2,530,744 shares (31 March 2016: 2,530,744 shares, 1 April 2015: 2,530,744 shares), ReNew Wind Energy (Welturi) Private Limited (2,000,669 shares (31 March 2016: 2,000,669 shares, 1 April 2015: 2,000,669 shares), ReNew Wind Energy (AP) Private Limited 21,455 shares (31 March 2016: 21,455 shares, 1 April 2015: 21,455 shares) and ReNew Wind Energy (MP Two) Private Limited 1,443,999 shares (31 March 2016: 1,443,999 shares, 1 April 2015: 1,443,999 shares), ReNew Wind Energy (AP3) Private Limited 17,43,000 (31 March 2016: 17,43,000, 1 April 2015: Nil), ReNew Wind Energy (Jath) Limited 74,95,000 (31 March 2016: 74,95,000, 1 April 2015: Nil) to security trustee on behalf of debenture holders.

The Company has further pledged investment in preference shares of ReNew Wind Energy (Varekarwadi) Private Limited 2,892,167 shares (31 March 2016: 2,892,167 shares, 1 April 2015: 2,892,167 shares), ReNew Wind Energy (Karnataka) Private Limited 419,187 shares (31 March 2016: 419,187 shares, 1 April 2015: 419,187 shares), ReNew Wind Energy (Devgarh) Private Limited 1,881,220 shares (31 March 2016: 1,881,220 shares, 1 April 2015: 1,881,220 shares), ReNew Wind Energy (MP Two) Private Limited 1,192,000 shares (31 March 2016: 1,192,000 shares, 1 April 2015: 1,192,000 shares), ReNew Wind Energy (Jamb) Private Limited 6,433,160 shares (31 March 2016: 6,433,160 shares, 1 April 2015: 6,433,160 shares), and ReNew Wind Energy (Orissa) Private Limited 1,391,619 shares (31 March 2016: 1,391,619 shares, 1 April 2015: 1,391,619 shares), ReNew Wind Energy (Rajasthan) Private Limited 23,00,000 (31 March 2016: 23,00,000 shares, 1 April 2015: Nil shares), ReNew Wind Energy (AP) Private Limited 28,76,000 (31 March 2016: 28,76,000 shares, 1 April 2015: Nil shares) and ReNew Solar Power Private Limited 43,94,000 (31 March 2016: 43,94,000 shares, 1 April 2015: Nil shares) to security trustee on behalf of debenture holders.

INR 2,835 secured, rated, unlisted, redeemable and non-convertible debentures.

11.00%, 2,835 secured, rated, unlisted, redeemable and non-convertible debentures amounting to INR 2,835 (31 March 2016: INR 2,835, 1 April 2015: Nil) are redeemable at the end of 5th year from the date of allotment i.e. September, 2020. These debentures are secured by first exclusive charge by way of mortgage of immovable properties, first and exclusive charge by way of hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contract of Pratapgarh Project, Rajasthan. Net carrying amount on 31 March 2017 is INR 2799 (31 March 2016 : 2789, 1 April 2015 INR Nil)

Renew Solar Power Private Limited

INR 2,000 (31 March 2016: Nil, 1 April 2015: Nil) rated, unlisted, redeemable, non-cumulative and non-convertible debentures.

11.35% p.a. compounded Monthly and payable annually, 2000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 1,994 (31 March 2016: Nil, 1 April 2015 : Nil). These debentures are redeemable at par at the end of 6 years from the date of allotment viz. Novemeber 1, 2016. Same is secured by way of first pari passu charge on the Company's 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. Net carrying amount on 31 March 2017 is INR 1994 (31 March 2016 : Nil, 1 April 2015 INR Nil)

INR 1,000 (31 March 2016: Nil, 1 April 2015: Nil) rated, unlisted, redeemable, non-cumulative and non-convertible debentures.

(Amounts in INR million, unless otherwise stated)

10.25% p.a. compounded Monthly and payable annually , 1000 rated, unlisted, redeemable, non-cumulative and non-convertible debentures amounting to INR 1,000 (31 March 2016 : Nil, 1 April 2015 : Nil). These debentures are redeemable at par at the end of 3 years from the date of allotment viz. Novemeber 29, 2016. Same is secured by way of first pari passu charge on the Company's 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. Net carrying amount on 31 March 2017 is INR 1000 (31 March 2016 : Nil, 1 April 2015 Nil)

ReNew Power Ventures Private Limited, the holding company, has pledged as at 31 March, 2017 ; 4,394,000 (31 March 2016 ; Nil, 01 April 2015 ; Nil) equity shares of the company to the security trustee on behalf of lender.

ReNew Wind Energy (Jath) Limited

Particulars	Terms of repayment and security
Yes Bank Interest Rate - 13.00% p.a. (floating interest rate) [2.25% over and above base rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015 INR 443)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan was fully repaid in September 2015.
Central Bank of India Interest Rate - 13% p.a. (floating interest rate) [2.5% over and above base rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : .Nil , 1 April 2015: INR1,390)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan was fully repaid in October 2015.
Vijaya Bank Interest Rate - 13.00% p.a. (floating interest rate) [2.55% over and above base rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR 442)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan was fully repaid in November 2015.
India Infra Finance Company Limited Interest Rate - 11.10% (floating interest rate) [1.10% over and above IIFCL benchmark rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR 1,780)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan was fully repaid in September 2015.
Renew Power Ventures Private Limited	
Kotak Bank The term loan carries interest @ 11% p.a. (floating) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : 1,133, 1 April 2015: Nil)	(1) Secured by first pari-passu charge by way of mortgage on immovable property. (2) first pari-passu charge by way of hypothecation of all the movable fixed assets, assignment of all rights and entitlement arising from project contracts for Kod and Limbawas project, Madhya Pradesh. (3) first pari-passu charge on all current assets. The said loan has been paid in full during the year.
Reliance Capital Limited Interest Rate -Floating (RCL Prime Lending rate-5.25% p.a.) Present interest rate 12.75% p.a with spread reset option Net carrying amount on 31 March 2017 is INR 33 (31 March 2016 : INR.35, 1 April 2015: Nil)	Repayable in 55 structured quarterly instalments commencing from December 2015 & ending on June 2029 (1)Secured by first pari-passu charge by way of hypothecation on entire movable and immovable property, of the project both present and future. (2) on current asset including but not limited to book debt, operating cash flows, receivables, commissions, revenues whatsoever nature both present and future of the said project (3) on bank account of borrower related to the said project including but not limited to the TRA of the said project. (4) on DSRA maintained by borrower/promoter for the purpose of the said project.
Yes Bank Effective rate 11.50% p.a (base rate +1%) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR 1,070)	Secured by first pari-passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all rights, title, interest, benefit, claims and demands under all the project agreements, letter if credit, issuance contracts and proceeds, guarantees, performance bonds etc. of the company. This loan has been fully repaid in September 2015.

Renew Wind Energy (Rajasthan) Private Limited

Indian Renewable Energy Development Agency limited (IREDA) Interest Rates - 10.85% pa. The interest rate will be subject to revision on the expiry of every 2 years as per interest reset guidelines notified by IREDA. Net carrying amount on 31 March 2017 is INR 1,462 (31 March 2016 : Nil , 1 April 2015 : Nil)	Repayable in 55 structured quarterly instalments commencing from March 2017 ending on September 2030. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. Creation of charge on immovable properties by way of mortgage and assignment is under process.

(Amounts in INR million, unless otherwise stated)

L&T Financial Corporation Limited Interest Rates - 11.50% pa. (Floating Interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 839, 1 April 2015 : Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
L&T Infrastructure Limited Interest Rates - 11.50% p.a. (Floating Interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016 INR 663, 1 April 2015 INR:Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. . This loan has been fully repaid in financial year 2016-17.
Indian Renewable Energy Development Agency limited (IREDA) Interest Rates - 13.00% pa. The interest rate will be subject to revision on the expiry of every 2 years as per interest reset guidelines notified by IREDA. Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil , 1 April 2015: INR.1,682)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2015-16

ReNew Power Ventures Private Limited, the holding company, has pledged 7,508,999 (31 March 2016; 61,588,999, 01 April 2015; 6,008,999) equity shares and 2,300,000 (31 March 2016; 2,300,000, 01 April 2015; Nil) prefrence shares of the company in favour of security trustee on behalf of lenders.

Renew Wind Energy (Welturi) Private Limited

Power Finance Corporation Limited (PFC) Interest Rate - 14.25% p.a for INR 679 and 14.75% p.a for INR 272 Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 615 ; 1 April 2015: INR 938)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in financial year 2016-17.
L&T Fincorp Limited Interest Rate - 13% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 246 ; 1 April 2015: Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in financial year 2016-17.
L&T Infra Finance Limited Interest Rate - 11% p.a. (flaoting interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR.642; 1 April 2015: Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in financial year 2016-17.
Senior secured bonds Interest Rate - 10.629% per annum Net carrying amount on 31 March 2017 is INR 1,460 (31 March 2016 : Nil, 1 April 2015: Nil)	Repayable in single bullet payment on 8th February, 2022 along with premium on redemption @7.5% Secured by way of exclusive mortgage over immovable properties siuated at Welturi and Shedala Village, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge on immovable properties by way of mortgage and assignment is under process.

ReNew Power Ventures Private Limited, the holding company, has pledged 4,896,999 (31 March 2016: 4,481,859 ; 1 April 2015: 3,667,859) equity shares in the Company in favour of security trustee on behalf of lenders.

Renew Wind Energy (Devgarh) Private Limited

RABO Bank International Interest rate - 6 months LIBOR plus 3.85% p.a. Net carrying amount on 31 March 2017 is INR 1,149 (31 March 2016 :INR 1,249, 1 April 2015 INR 1,255)	Repayable in 24 semi-annually instalments commencing from March 2015 and ending on September 2026. Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company.
FMO Enterpreneurial Development Bank Interest rate - 6 months LIBOR plus 3.85% p.a. Net carrying amount on 31 March 2017 is INR 1,149 (31 March 2016 : INR.1,249, 1 April 2015 : INR.1,255)	Repayable in 24 semi-annually instalments commencing from March 2015 and ending on September 2026. Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company.

ReNew Power Ventures Private Limited, the holding company, has pledged 8,938,999 (31 March 2016; 8,938,999, 01 April 2015; 2,909,999) of equity and 1,881,220 (31 March 2016; 1,881,220, 01 April 2015; Nil) shares of the company in favour of security trustee on behalf of lenders.

ReNew Wind Energy (Karnataka) Private Limited

Senior secured bonds

(Amounts in INR million, unless otherwise stated)

Interest Rate - 10.629% per annum (Fixed interest rate)	Repayable in single bullet payment on 8th February, 2022 along with premium on redemption @ 7.5%.
Net carrying amount on 31 March 2017 is INR 6,380 (31 March 2016 : Nil, 1 April 2015 : Nil)	Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.
L&T Infrastructure Finance Company Limited Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR.2,314, 1 April 2015: INR.2,199)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. The loan has been fully repaid in the current financial year.
L&T FinCorp Limited Interest Rates - 12.00% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR.569, 1 April 2015: Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. The loan has been fully repaid in the current financial year.

ReNew Power Ventures Private Limited, the holding company, has pledged 227,700 (31 March 2016: 210,499 ; 1 April 2015: 17,201) equity shares and 10,136,307 (31 March 2016: 7,419,187 ; 1 April 2015: Nil) preference shares in the Company in favour of security trustee on behalf of lenders.

Renew Wind Energy (AP) Private Limited

Saraswat Bank Interest Rate is PLR-Floating, 11.20% p.a. (Bank PLR less 3.05% p.a.) subject to minimum of 11.20% p.a. Net carrying amount on 31 March 2017 is INR 366 (31 March 2016: INR.388, 1 April 2015: INR 410)	Repayable in 48 structured quarterly instalments commencing from March 2015 ending on December 2026. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.
State Bank of India Interest Rate -Floating, 11.60% p.a. (SBI base rate+2.30% p.a.) Net carrying amount on 31 March 2017 is INR 406 (31 March 2016: INR 430, 1 April 2015: INR 454)	Repayable in 52 structured quarterly instalments commencing from March 2014 & ending December 2026. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.

Indian Renewable Energy Development Agency Limited (IREDA)

Interest Rates – 11.70% p.a, subject to revision on the expiry of every 2 years as per interest reset guidelines notified by IREDA. Net carrying amount on 31 March 2017 is INR 2,108 (31 March 2016: INR 1,735, 1 April 2015 : Nil)	Repayable in 54 structured quarterly instalments commencing from March 2017 & ending June 2030. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.

ReNew Power Ventures Private Limited, the holding company, has pledged 83,999 (31 March 2016; 83,999, 01 April 2015; 83,999) equity shares and 2,876,000 (31 March 2016; 2,876,000, 01 April 2015: 2,876,000) preference shares of Company for Chikodi project in favour of security trustee on behalf of lender.
The IREDA loan is covered by corporate guarantee of ReNew Power Ventures Private Limited, the holding company which will be released , upon completion of all the followings to the satisfaction of IREDA.
- Meeting cost-overrun, if any
- Perfection of security
- COD and signing of PPAs, to the satisfaction of IREDA
- DSRA creation as per sanction terms
- One year debt servicing post grace period

Renew Wind Energy (Rajkot) Private Limited

Senior secured bonds Interest Rate - 10.629% per annum Net carrying amount on 31 March 2017 is INR 3,602 (31 March 2016 : Nil, 1 April 2015: Nil)	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge on immovable properties by way of mortgage is under process.
Canara Bank - for Jasdan project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.162, 1 April 2015: INR 176)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.

(Amounts in INR million, unless otherwise stated)

Union Bank of India (UBI) - for Vaspet project Interest Rates - 12.25% p.a. (base rate + 2.00%) [floating interest rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil , 1 April 2015: INR 462)	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
India Infradebt Limited Interest Rates - 11.05% p.a. (Floating interest rate) Net carrying amount as on 31 March 2017 is INR 373 (31 March 2016: Nil ; 1 April 2015: Nil).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.
PTC India Financial Services Limited (PFS) - for Jasdan project Interest Rate - 11.50% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR 220, 1 April 2015: INR 239)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. Lien in favour of PFS has been created on fixed deposit of INR 5,000,000 made by ReNew Power Ventures Private Limited, the holding company. This loan has been fully repaid in financial year 2016-17.
PTC India Financial Services Limited (PFS) - for Vaspet project Interest Rate - 13.00% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR 562)	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
IDFC Limited - for Vaspet project Interest Rates - 12.65% p.a. (IDFC benchmark rate + 3.15%) [floating interest rate with reset clause every 2 years] Net carrying amount on 31 March 2017 is Nil (31 March 2016: Nil, 1 April 2015: INR 1,014)	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
India Infrastructure Finance Co. Ltd- for Jasdan project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR.375, 1 April 2015 INR 408)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
India Infrastructure Finance Co. Ltd- for Vaspet project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR 818, 1 April 2015: Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
L & T Infrastructure Finance Company Limited for Vaspet Project Interest Rate – 11% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : INR 14, 1 April 2015: Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
L & T Infra Debt Fund Limited for Vaspet Project Interest Rate – 10.45% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.381, 1 April 2015 : Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
Tata Cleantech Capital Ltd-for Vaspet project Interest Rate – 11% p.a. (after one year floating interest rate with annual reset clause)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company and first charge on pledge on 76% of paid up equity capital. This loan has been fully repaid in financial year 2016-17.

(Amounts in INR million, unless otherwise stated)

Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.569, 1 April 2015 : Nil)	
L & T Infrastructure Finance Company Limited for Vaspet Project - Subordinate debt Interest Rate – 12% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.574, 1 April 2015 : Nil)	Secured by second charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company and first charge on 24% pledge of shares. This loan has been fully repaid in financial year 2016-17.
ReNew Power Ventures Private Limited, the holding company, has pledged 11,922,124 (31 March 2016: 11,922,124 ; 1 April 2015: 11,922,124) equity shares in the Company in favour of security trustee on behalf of lenders.	
Renew Wind Energy (Delhi) Private Limited	
IDFC Bank Interest Rates - 11.05% p.a. (floating interest rate with annual limit) Net carrying amount on 31 March 2017 is INR 563 (31 March 2016 : INR 481, 1 April 2015: Nil)	Repayable in 43 monthly quaterly installments commencing from June 2015 ending in December 2025. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company related to project.
Union Bank Interest Rates - 13.00% p.a. (floating interest rate) 2.75% over and above Union Bank base rate with annual reset clause Net carrying amount on 31 March 2017 is Nil (31 March 2016: Nil, 1 April 2015: INR 566)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in FY 2015-16.
IDFC Infra Debt Fund Limited Interest Rates - 10.80% p.a. (floating interest rate at IDFC benchmark rate) Net carrying amount on 31 March 2017 is INR 593 (31 March 2016: INR.636, 1 April 2015: Nil)	Repayable in 41 monthly quaterly installments commencing from December 2015 ending in December 2025. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company related to project.
PTC India Financial Services Limited (PFS) Interest Rates - 13.00% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR.292)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in FY 2015-16.
Reliance Capital Ltd Interest Rate - 13.00% p.a.(RCL PLR-5.25% p.a.) (floating interest rate with annual reset clause) Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil, 1 April 2015: INR.283)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in FY 2015-16.
ReNew Power Ventures private Limited, the Holding company, has pledged 4,582,331 (31 March 2016; 2,648,940, 01 April 2015; 5,193,949) equity shares in the company in favour of security trustee on behlaf of lenders as at 31 March 2017.	
Renew Wind Energy (Shivpur) Private Limited	
Senior Secured Bonds Interest Rates - 10.629% p.a. Net carrying amount on 31 March 2017 is INR 10,693 (31 March 2016 : Nil, 1 April 2015: Nil)	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.
Oriental Bank of Commerce Interest Rates - 11.25% p.a.(floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 343, 1 April 2015 : Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in financial year 2016-17.
Shamrao Vithal Co-Operative Bank Ltd	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,

Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 487 ; 1 April 2015 INR.497)	intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company.This loan has been fully repaid in financial year 2016-17.
Canara Bank Interest Rates - 12.45% p.a (Base rate + 2.50% p.a), (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: Nil, 1 April 2015: INR 937)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2015-16.
Dena Bank Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.343, 1 April 2015: Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2016-17.
Kotak Mahindra Bank Limited Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR Nil (31 March 2016 INR.390 (1 April 2015 INR.Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2016-17.
Tamilnad Mercantile Bank Limited Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 360, 1 April 2015 : Nil)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2016-17.
PTC India Financial Services Limited (PFS) Interest Rates- 11.25% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 582, 1 April 2015: INR 482)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2016-17.
Tata Cleantech Capital Ltd Interest Rates - 12.50% p.a. (LTLR - 5.75% p.a.) (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR, 1 April 2015: INR 378)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in FY 2015-16
ReNew Power Ventures private Limited, the Holding company, has pledged 8,145,999 (31 March 2016: 6,609,999 ; 1 April 2015; 6,609,999) equity shares and 10,283,000 (31 March 2016: Nil ; 1 April 2015: Nil) preference shares in the company in favour of security trustee on behlaf of lenders as at 31 March 2017.	
Renew Wind Energy (Jadeswar) Private Limited	
Indian Renewable Energy Development Agency Limited (IREDA) Interest Rates - 11.75% p.a, subject to revision on the expiry of every 2 years as per interest reset guidelines notified by IREDA. Net carrying amount on 31 March 2017 is INR 465 (31 March 2016: INR.498, 1 April 2015: INR 527)	Repayable in 48 quarterly installments commencing from March 2014 & ending December 2025. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, over all bank accounts, all intangibles and first charge by way of hypothecation of all the movable assets present and future. Assignment of all projects contracts is under process.
ReNew Power Ventures Private Limited, the Holding Company, had pledged 3,509,999 (31 March 2016 : 3,509,999 ; 1 April 2015: 3,509,999) equity shares of the company in favour of the lender as at 31 March 2017.	
Renew Wind Energy (Varekarwadi) Private Limited	
L&T Infrastructure Finance Company Limited Interest Rates - 11% fixed interest rate for one year. After one year interest rate would be floating (L&T Infra PLR minus applicable spread). Net carrying amount on 31 March 2017 is INR 571 (31 March 2016 : INR.588, 1 April 2015: INR 2,403)	Repayable in 65 structured quarterly instalments commencing from March 2016 and ending on March 2032. Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company.
L&T Finance Limited Interest Rates - 11% fixed interest rate for one year. After one year interest rate would be floating (L&T Infra PLR minus applicable spread).	Repayable in 65 structured quarterly instalments commencing from March 2016 and ending on March 2032. Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts

Net carrying amount on 31 March 2017 is INR 1,797 (31 March 2016 :INR 1,850, 1 April 2015: Nil)	and proceeds, guarantees, performance bond etc. of the company.
State Bank of Hyderabad Interest Rates - 12.25% pa floating linked to base rate. Net carrying amount on 31 March 2017 is Nil (31 March 2016 : Nil , 1 April 2015: INR 490)	Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. This loan has been fully repaid in financial year 2015-16.

ReNew Power Ventures Private Limited, the holding company, has pledged 8,174,999 (previous year 8,174,999) of equity shares and 2,892,167 (previous year 2,892,167) preference shares investment in the company in favour of security trustee on behalf of lenders.

Renew Wind Energy (AP 3) Private Limited

PTC India Financial Services Ltd Interest Rate - 12.25% Net carrying amount on 31 March 2017 is INR 1,059 (31 March 2016: INR 721, 1 April 2015 Nil)	Repayable in 58 structured quarterly instalments commencing from June 2017 ending on September 2031. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets including movable plant and machinery, machinery spares, tools and accessories, fixtures, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

ReNew Power Ventures private Limited, the holding company, has pledged 7,264,818 (31 March 2016: 7,264,818 ; 1 April 2015: Nil) equity shares of the company in favour of security trustee on behalf of lenders.

Renew Wind Energy (MP Two) Private Limited

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

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

Renew Wind Energy (Rajasthan One) Private Limited

Indian Renewable Energy Development Agency Limited (IREDA) Interest Rates - 12.35% p.a, subject to revision on the expiry of every 2 years as per interest reset guidelines notified by IREDA. Net carrying amount on 31 March 2017 is INR 1,213 (31 March 2016: INR 1,294, 1 April 2015: INR 1,354)	Repayable in 48 quarterly instalments commencing from December 2015 & ending September 2027. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.
L & T Financial Corporation Limited Interest Rates - 11.35% floating interest rate Net carrying amount on 31 March 2017 is INR 573 (31 March 2016: INR 502, 1 April 2015:.Nil)	Repayable in 59 quarterly instalments commencing from December 2016 & ending March 2031. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.
L & T Infrastructure Limited Interest Rates - 11.35% floating interest rate Net carrying amount on 31 March 2017 is INR 1,023 (31 March 2016: INR.901, 1 April 2015: Nil)	Repayable in 59 quarterly instalments commencing from December 2016 & ending March 2031. Secured by first charge on immovable property, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles. Creation of charge on immovable properties by way of mortgage is under process.

ReNew Power Venture Private Limited, the holding company, has pledged as on 31 March 2017; 1,786,785 (31 March 2016; 1,786,785 , 01 April 2015 ; 9,999) equity shares and as on 31 March 2017; 1,774,094 (31 March 2016; 1,774,094 , 01 April 2015: nil) prefrence shares in the company in favour of security trustee on behalf of lender.
The L&T Infra and L&T Fincorp loan is covered by corporate guarantee of ReNew Power Ventures Private Limited, the holding company till execution of PPA with state electricity board and perfection of security upon achieving P90 generation level for continous two years of operation or Rs 15 Crores of bullet payment has been repaid, whichever is earlier.

Renew Wind Energy (Sipla) Private Limited

(Amounts in INR million, unless otherwise stated)

L&T Finance Limited Interest Rate 10.90% p.a. till the stabilisation period; Interest Rate 10.75% p.a. post stabilisation period Net carrying amount on 31 March 2017 is INR 2,062 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 67 quarterly instalments commencing from 30th September 2018 ending on 31st March 2035 . Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.

ReNew Power Venture Private Limited, the holding company, has pledged as on 31 March 2017; 3,696,779 (31 March 2016; Nil, 1 April 2015 : Nil) equity shares in the company in favour of security trustee on behalf of lender.

Renew Wind Energy (Rajasthan 3) Private Limited

RABO Bank Interest Rate - 3 month libor plus 3% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 2,630 (31 March 2016: INR 2,553; 1 April 2015: Nil)	Repayable in 52 quartely instalments commencing from December 2016 and ending on September 2021. Secured by a first pari passu charge by way of mortgage first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Creation of charge by way of mortgage and assignment is under process.
FMO Enterpreneurial Development Bank Interest Rate - 3 month libor plus 3.65% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 2,629 (31 March 2016: INR.2,551, 1 April 2015: Nil)	Repayable in 53 quartely instalments commencing from December 2016 and ending on December 2029. Secured by a first pari passu charge by way of mortgage first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Creation of charge by way of mortgage and assignment is under process.

ReNew Power Ventures Private Limited, the holding company, has pledged 9,999 (31 March 2016; 9,999, 01 April 2015;Nil) equity shares and 16,248,850 (31 March 2016; 19,790,970, 01 April 2015;Nil) prefrence shares in the company in favour of security trustee on behalf of lenders.

Narmada Wind Energy Private Limited

L&T Finance Limited Interest Rates - 10.90% p.a with annual resets linked to L&T Infra PLR. After Stabilisation Period, a reduction of 15 Basis points shall be effected. Net carrying amount on 31 March 2017 is INR 624 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 67 structured quarterly instalments commencing from September 30,2018 and ending on March 31, 2035 Secured by a first pari passu charge by way of hypothecation of all both present and future movable assets related to project, first pari passu charge by way of hypothecation of the current assets including but not limited to book debts, operating cash flows, receivables (including GBI),commissions, revenue of whatsoever nature and wherever arising present and future, intangibles, goodwill etc., first pari passu charge over all bank deposit pertaining to project and all fund from time to time deposited therein and all permitted investment or other securities representing all amount credited thereto, first pari passu charge over letters of credit, performance bonds or guarantees provided by any person, insurance contract/proceeding under insurance contract, all the rights, title, interest, benefit, claims and demands duly acknowledge and consented by relevant counter party of project document including right to receive any liquidity damages Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under the project agreements, letter of credit, insurance contracts and proceeds under insurance contract, guarantees, performance bond etc. of the company.
L&T Fincorp Limited. Interest Rates - 10.90% p.a with annual resets linked to L&T Infra PLR. After Stabilisation Period, a reduction of 15 Basis points shall be effected. Net carrying amount on 31 March 2017 is INR 423 (31 March 2016 : Nil, 1 April 2015 : Nil)	Repayable in 67 structured quarterly instalments commencing from September 30,2018 and ending on March 31, 2035 Secured by a first pari passu charge by way of hypothecation of all both present and future movable assets related to project, first pari passu charge by way of hypothecation of the current assets including but not limited to book debts, operating cash flows, receivables (including GBI),commissions, revenue of whatsoever nature and wherever arising present and future, intangibles, goodwill etc., first pari passu charge over all bank deposit pertaining to project and all fund from time to time deposited therein and all permitted investment or other securities representing all amount credited thereto, first pari passu charge over letters of credit, performance bonds or guarantees provided by any person, insurance contract/proceeding under insurance contract, all the rights, title, interest, benefit, claims and demands duly acknowledge and consented by relevant counter party of project document including right to receive any liquidity damages Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under the project agreements, letter of credit, insurance contracts and proceeds under insurance contract, guarantees, performance bond etc. of the company.
L&T Finance Limited Interest Rates - 10.90% p.a with annual resets linked to L&T Infra PLR. After Stabilisation Period, a reduction of 15 Basis points shall be effected. Net carrying amount on 31 March 2017 is INR 797(31 March 2016: Nil, 1 April 2015 INR: Nil)	Repayable in 60 structured quarterly instalments commencing from March 31,2020 and ending on December 31, 2034 Secured by a first pari passu charge by way of hypothecation of all both present and future movable assets related to project, first pari passu charge by way of hypothecation of the current assets including but not limited to book debts, operating cash flows, receivables (including GBI),commissions, revenue of whatsoever nature and wherever arising present and future, intangibles, goodwill etc., first pari passu charge over all bank deposit pertaining to project and all fund from time to time deposited therein and all permitted investment or other securities representing all amount credited thereto, first pari passu charge over letters of credit, performance bonds or guarantees provided by any person, insurance contract/proceeding under insurance contract, all the rights, title, interest, benefit, claims and demands duly acknowledge and consented by relevant counter party of project document including right to receive any liquidity damages Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under the project agreements, letter of credit, insurance contracts and proceeds under insurance contract, guarantees, performance bond etc. of the company.
L&T Finance Limited Interest Rates - 10.90% p.a with annual resets linked to L&T Infra PLR. After Stabilisation Period, a reduction of 15 Basis points shall be effected.	Repayable in 56 structured quarterly instalments commencing from March 31,2020 and ending on December 31, 2033 Secured by a first pari passu charge by way of hypothecation of all both present and future movable assets related to project, first pari passu charge by way of hypothecation of the current assets including but not limited to book debts, operating cash flows, receivables (including GBI),commissions, revenue of whatsoever nature and wherever arising present and future, intangibles, goodwill etc., first pari passu charge over all bank deposit pertaining to project and all fund from time to time deposited therein and all permitted investment or other securities representing all amount credited

(Amounts in INR million, unless otherwise stated)

Net carrying amount on 31 March 2017 is INR 317 (31 March 2016 : Nil, 1 April 2015: Nil)	thereto, first pari passu charge over letters of credit, performance bonds or guarantees provided by any person, insurance contract/proceeding under insurance contract, all the rights, title, interest, benefit, claims and demands duly acknowledge and consented by relevant counter party of project document including right to receive any liquidity damages Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under the project agreements, letter of credit, insurance contracts and proceeds under insurance contract, guarantees, performance bond etc. of the company.
ReNew Power Ventures Private Limited, the holding company has pledged 228,000 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.	
Helios Private Limited	
IndusInd Bank Limited Interest Rate - 11% p.a Net carrying amount on 31 March 2017 is INR 1,243 (31 March 2016 : Nil, 1 April 2015: Nil)	Repayable in 61 quarterly instalments commencing from June 2018 & ending June 2033 Secured by first charge over all immovable properties of project, first charge on all intengibles, first charge by way of hypothecation of all the present and future movable assets of the project, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies.
ReNew Power Ventures Private Limited, the holding company has pledged 60,996 (31 March 2016; Nil, 01 April 2015; Nil) Equity shares in the company in favour of security trustee on behalf of lender.	
Shruti Power Private Limited	
Indian Renewable Energy Development Agency Limited Interest Rate 13.25% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 360 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 48 quarterly instalments starting from December 2016 and ending on September 2028. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
ReNew Power Ventures Private Limited, has pledged 10,000,000 (31 March 2016; Nil) equity shares in the company in favour of lender.	
Molagavalli Renewable Private Limited	
L&T Infrastructure Finance Company Limited Interest Rates - 10.75% p.a with annual resets linked to L&T Infra PLR. After Stabilisation Period, a reduction of 15 Basis points shall be effected. Net carrying amount on 31 March 2017 is INR 1,335 (31 March 2016: Nil, 1 April 2015 : Nil)	Repayable in 69 quarterly installments commencing from 31st March 2018 and ending on 31st March 2035 . Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, first pari passu charge by way of hypothecation of all both present and future movable assets related to project, first pari passu charge by way of hypothecation of the current assets including but not limited to book debts, operating cash flows, receivables (including GBI),commissions, revenue of whatsoever nature and wherever arising present and future, intangibles, goodwill etc., first pari passu charge over all bank deposit pertaining to project and all fund from time to time deposited therein and all permitted investment or other securities representing all amount credited thereto, first pari passu charge over letters of credit, performance bonds or guarantees provided by any person, insurance contract/proceeding under insurance contract, all the rights, title, interest, benefit, claims and demands duly acknowledge and consented by relevant counter party of project document including right to receive any liquidity damages
Renew Solar Energy Private Limited	
Reliance Capital Limited Interest Rate - 12.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 6 (31 March 2016: INR.7, 1 April 2015: INR 7)	Repayable in 57 structured quarterly instalments commencing from March 2015 ending on March 2029. Secured by first charge on hypothecation over, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles.
Reliance Capital Limited Interest Rate - 12.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 27 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 55 structured quarterly instalments commencing from October 2016 ending on April 2030. Secured by first charge on hypothecation over, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future and first charge by way of hypothecation of all the present and future movable assets, project documents, all bank accounts and all intangibles.
Renew Solar Energy (TN) Private Limited	
Export Import Bank of India Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 236, 1 April 2015 : Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan has been fully repaid during current year f.y 2016-17.
L & T Infrastructure Finance Company Limited Interest Rate - 12.00% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016 INR 613, 1 April 2015: INR 348)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties including revenue land allotted to the borrower, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan has been fully repaid during current year f.y 2016-17.
Buyer's/Supplier's credit Interest rate 6 months LIBOR +0.65%	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 whatsover nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts

(Amounts in INR million, unless otherwise stated)

Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 1,922, 1 April 2015: INR 1,183)	of the Company. This has been fully repaid during current year f.y 2016-17.
10.629% Senior Secured Bonds Interest Rate - 10.629% per annum Net carrying amount on 31 March 2017 is INR 3,332 (31 March 2016 : Nil, 1 April 2015:Nil) Accretion of premium accrued as on March 31 2017 is INR 6 (31 March 2016 Nil; 1 April 2015 Nil)	Repayable in single bullet payment on 8th February, 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge by way of hypothecation is pending.

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

Renew Solar Energy (Karnataka) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue . CCDs do not carry any voting rights.
Closing balance as on 31 March 2017 is INR 144 (31 March 2016 INR 128, 1 April 2015: Nil)

Yes Bank Interest Rate - 11.50% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR 451, 1 April 2015: Nil)	Secured by first pari passu charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.This loan has been fully repaid in financial year 2016-17.
Buyer's/Supplier's credit Interest Rate - 6 month libor plus 0.75%. Net carrying amount on 31 March 2017 is Nil (31 March 2016: INR.2,540 (1 April 2015 : Nil)	Bullet repayment at the end of 1080 days from the shipment date. Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process. This loan has been fully repaid in financial year 2016-17.
10.629% Senior Secured Bonds Interest Rate - 10.629% per annum Net carrying amount on 31 March 2017 is INR 4,048 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in single bullet payment on 8th February, 2022, along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties siuated at Welturi and Shedala Village, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge on immovable properties by way of mortgage and assignment is under process.

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

Renew Akshay Urja Private Limited

Compulsorily Convertible Debentures Coupon rate - 0.01% p.a Net carrying amount on 31 March 2017 is INR 1 (31 March 2016 INR.1, 1 April 2015 Nil)	Compulsory Convertible Debentures (CCD) are compulsorily convertible into equity shares at the time of initial public offering or end of twenty years from the date of issue, viz., June 17, 2035 in accordance with the terms of the JVA at conversion ratio defined therein. CCD carry an interest coupon rate of 0.01% per annum. CCD do not carry any voting rights
Union Bank of India Interest Rate - 11.70% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 211 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 and ending September 2032 . Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
Canara Bank Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 106 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 and ending September 2032 . Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
Central Bank of India Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 220 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
IndusInd Bank Interest Rate - 11.70% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 134 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
State Bank of Hyderabad	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032.

(Amounts in INR million, unless otherwise stated)

Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 236 (31 March 2016: Nil, 1 April 2015: Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
Andhra Bank Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 109 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
PTC India Financial Services Limited Interest Rate - 11.70% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 126 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
India Infrastructure Finance Company Limited Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 206 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
TATA Cleantech Capital Limited Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 137 (31 March 2016 : Nil, 1 April 2015: Nil)	Repayable in 62 quarterly instalments commencing from June 2017 ending in September 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
Buyer's/ Supplier's credit Interest Rate - 6 month LIBOR + 0.75% Net carrying amount on 31 March 2017 is INR 5,126 (31 March 2016 INR 5,245 (1 April 2015: Nil)	Interest to be paid semi-annually starting from 11 July 2016 till maturity. Bullet repayment at the end of 1080 days from the shipment date. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.

ReNew Solar Power Private Limited, the holding company, has pledged as on 31 March 2017; 6,784,821 (31 March 2016; 6,784,821, 01 April 2015; Nil) equity shares and as on 31 March 2017; 4,864,929 (31 March 2016; 4,864,929, 01 April 2015; Nil) CCDs in favour of security trustee on behalf of lender.

ReNew Solar Energy (Telangana) Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 and September 20, 2036 in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on March 31, 2017 is 619,881,150 (31 March 2016: INR Nil ; 1 April 2015: INR Nil)

State Bank of India Interest Rate - 11.25% p.a. (floating interest rate with annual reset clause) Net carrying amount on 31 March 2017 is INR 488 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 69 structured quarterly instalments commencing from March 2018 and ending on March 2035. Secured by first pari passu charge 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
Punjab & Sind Bank Interest Rates - 11.20% p.a. [floating interest rate with annual reset clause] Net carrying amount on 31 March 2017 is INR 48 (31 March 2016 Nil, 1 April 2015 : Nil)	Repayable in 69 structured quarterly instalments commencing from March 2018 and ending on March 2035. Secured by pari passu charge by way of mortgage on immovable properties, movable properties, book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warrenty, revenue of whatsoever nature, all bank accounts and project document including PPA, EPC contract, O&M contract, consent, trade documents and insurance. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, insurance contracts and proceeds of the company.
Buyer's/ Supplier's credit Interest Rate - 6 month LIBOR + 0.49% to LIBOR + 0.99% Net carrying amount on 31 March 2017 is INR 4,556 (31 March 2016: Nil, 1 April 2015: Nil)	Interest to be paid semi-annually. Repayment to be done between 479 days to 1072 days from the shipment date. Secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.

ReNew Solar Power Private Limited, the holding company has pledged 6,469,826 (31 March 2016; nil, 01 April 2015; nil) Equity shares & 6,460,825 (31 March 2016; nil, 01 April 2015; nil) Preference shares in the company in favour of security trustee on behalf of lender.

Renew Saur Urja Private Limited

Yes Bank Interest Rates - 11.70% with yearly reset clause	Repayable in 55 structured quarterly instalments commencing from December 2017 ending on June 2031.

(Amounts in INR million, unless otherwise stated)

Net carrying amount on 31 March 2017 is INR 557 (31 March 2016: Nil, 1 April 2015 : Nil)	Secured by first charge over all immovable properties of project, first charge on all intengibles, first charge by way of hypothecation of all the present and future movable assets of the project, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents, letter of credit, guarantee and insurance policies.
Buyer's/Supplier's credit Interest rate 6 months LIBOR +(0.45-0.85) Net carrying amount on 31 March 2017 is INR 1,757 (31 March 2016 : Nil, 1 April 2015: Nil)	Interest to be paid semi-annually. Repayment to be done between 976 days to 1058 days from the shipment date. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.

ReNew Solar Power Private Limited, the holding company has pledged 5,100 (31 March 2016; nil, 01 April 2015; nil) Equity shares & 4,850,000 (31 March 2016; nil, 01 April 2015; nil) Preference shares in the company in favour of security trustee on behalf of lender.

Renew Wind Energy (Karnataka 4) Private Limited

IDFC Bank Limited Interest Rates - 11.25% p.a. with yearly reset clause Net carrying amount on 31 March 2017 is INR 368 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 64 structured quarterly instalments commencing from June 2018 and ending on March 2034 Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
Buyer's/Supplier's credit Interest rate 6 months LIBOR + 0.62% to 6 months LIBOR + 0.78% Net carrying amount on 31 March 2017 is INR 545 (31 March 2016: Nil, 1 April 2015: Nil)	Interest to be paid semi-annually. Repayment to be done between 658 days to 1022 days from the shipment date. Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.

ReNew Power Ventures Private Limited, the holding company has pledged 3,000 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.

ReNew Agni Power Private Limited

IDFC Bank Limited Interest Rate is 11.25%p.a. with yearly reset clause Net carrying amount on 31 March 2017 is INR 375 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 64 structured quarterly instalments commencing from June 2018 and ending on March 2034 Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
Buyer's/Supplier's credit Interest rate 6 months LIBOR + 0.62% to 6 months LIBOR + 0.79% Net carrying amount on 31 March 2017 is INR 290 (31 March 2016: Nil, 1 April 2015: Nil)	Interest to be paid semi-annually. Repayment to be done between 660 days to 718 days from the shipment date. Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.

ReNew Solar Power Private Limited, the holding company has pledged 3,000 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.

ReNew Mega Solar Power Private Limited

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the JVA at conversion ratio defined therein.

Buyer's/Supplier's credit Interest Rate 6 Month Libor+ (.50 to .69) Net carrying value on 31 March 2017 is INR 844 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable upto 36 Months (i.e. 5 November 2019) Secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Creation of charge by way of mortgage and assignment is under process.

ReNew Solar Power Private Limited, the Holding company, has pledged as at 31 March 2017 ; 2,035,816 (31 March 2016 ; Nil, 01 April 2015 ; Nil) equity shares and 2,027,305 (31 March 2016; Nil) Compulsorily convertible preference shares of the company in favour of security trustee on behalf of lender.

Saur Shakti Private Limited

IDFC Bank Limited Interest Rates - 11.25% p.a. [Floating interest rate with yearly reset clause]	Repayable in 64 structured quarterly instalments commencing from June 2018 ending on March 2034.

(Amounts in INR million, unless otherwise stated)

Net carrying amount on 31 March 2017 is INR 368 (31 March 2016: Nil, 1 April 2015: Nil)	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, movable plant and machinery, spares, tools and accessories, furniture, fixtures, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, whether arising , both present and future,all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.
Buyer's/Supplier's credit Interest Rate - 6 Month LIBOR +0.45% to 6 Month LIBOR + 0.99% Net carrying amount on 31 March 2017 is INR 1,527 (31 March 2016 : Nil, 1 April 2015 Nil)	Interest to be paid semi-annually. Repayment to be done between 1021 days to 1058 days from the shipment date. Secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
ReNew Solar Power Private Limited, the holding company has pledged 532,500 (31 March 2016; nil, 01 April 2015; nil) Equity shares & 2,463,000 (31 March 2016; nil, 01 April 2015; nil) Preference shares in the company in favour of security trustee on behalf of lender.	
ReNew Wind Energy (MP Four) Private Limited	
IDFC Bank Limited Interest Rate is 11.25%p.a. with yearly reset clause Net carrying amount on 31 March 2017 is INR 298 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 64 structured quarterly instalments commencing from June 2018 and ending on March 2034 Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
ReNew Solar Power Private Limited, the holding company has pledged 3,000 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.	
Tarun Kiran Bhoomi Private Limited	
IDFC Bank Limited Interest Rates - 11.25%p.a. with yearly reset clause Net carrying amount on 31 March 2017 is INR 335 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 64 structured quarterly instalments commencing from June 2018 and ending on March 2034 Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
Buyer's/Supplier's credit Interest rate 6 months LIBOR + 0.45% to 6 months LIBOR + 0.62% Net carrying amount on 31 March 2017 is INR 508 (31 March 2016: Nil, 1 April 2015: Nil)	Interest to be paid semi-annually. Repayment to be done between 720 days to 1050 days from the shipment date. Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
ReNew Power Ventures Private Limited, the holding company has pledged 6,999 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.	
ReNew Solar Energy (Karnataka Two) Private Limited	
RABO Bank Interest rate is Reuters 3 month CD's rate + 2.40% p.a. (i.e. 8.7067% as of 31st March 2017) Net carrying amount on 31 March 2017 is INR 1,831 (31 March 2016: Nil, 1 April 2015 : Nil)	Repayable in 7 structured quarterly instalments commencing from June 30, 2018 & ending on December 31, 2019 Secured by mortgage and charge on the entire immovable properties pertaining to project, charge by way of hypothecation on movable properties pertaining to project, charge on entire cash flows, receivables, book debts and revenues pertaining to project, charge on intangible assets pertaining to project, including but not limited to, Goodwill and uncalled capital , charge by way of hypothecation/mortgage/assignment of all the rights, title, interest, benefits, claims and demands, charge on all bank deposit of project.
ReNew Solar Power Private Limited, the holding company has pledged 1,470,111 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.	
ReNew Wind Energy (Karnataka 3) Private Limited	
IDFC Bank Limited Interest Rates - 11.25%p.a. with yearly reset clause Net carrying amount on 31 March 2017 is INR 316 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 64 structured quarterly instalments commencing from June 2018 and ending on March 2034 Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
Buyer's/Supplier's credit Interest rate 6 months LIBOR + 0.62% to 6 months LIBOR + 0.78% Net carrying amount on 31 March 2017 is INR 541 (31 March 2016: Nil, 1 April 2015 : Nil)	Interest to be paid semi-annually. Repayment to be done between 660 days to 718 days from the shipment date. Secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company.
ReNew Solar Power Private Limited, the holding company has pledged 3,000 (31 March 2016; nil, 01 April 2015; nil) Equity shares in the company in favour of security trustee on behalf of lender.	

(Amounts in INR million, unless otherwise stated)

Symphony Vyapaar Private Limited	
L&T Infra Debt Limited- Tranche A Interest Rate - 10.45% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 255 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 175 structured monthly instalments commencing from 1 January 2015 ending on 1 June 2029. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
L&T Infra Debt Limited- Tranche B Interest Rate - 10.45% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 202 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 210 structured monthly instalments commencing from 1 January 2015 ending on 1 June 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
TATA Cleantech Capital Limited Interest Rate - 11.35% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 246 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 168 structured monthly instalments commencing from 1 July 2015 ending on 1 June 2029. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
ReNew Solar power private limited, the holding company, has pledged as at 31 March 2017; 1,876,800 (31 March 2016; Nil, 01 April 2015; Nil) equity shares of the company in favour of security trustee on behalf of lender.	
Lexicon Vanijya Private Limited	
L&T Infra Debt Limited- Tranche A Interest Rate - 10.45% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 255 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 174 structured monthly instalments commencing from 1 January 2015 ending on 1 June 2029. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
L&T Infra Debt Limited- Tranche B Interest Rate - 10.45% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 207 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 210 structured monthly instalments commencing from 1 January 2015 ending on 1 June 2032. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
TATA Cleantech Capital Limited Interest Rate - 11.35% p.a. (floating interest rate) Net carrying amount on 31 March 2017 is INR 255 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 168 structured monthly instalments commencing from 1 July 2015 ending on 1 June 2029. Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage is under process.
ReNew Solar Power Private Limited, the holding company, has pledged as at 31 March 2017; 1,797,240 (31 March 2016 ; nil, 01 April 2015 ;nil) equity shares of the company in favour of security trustee on behalf of lender.	
Star Solar Power Private Limited	
L&T Finance Limited Interest Rate - 10.75% p.a Net carrying amount on 31 March 2017 is INR 255 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 69 structured quarterly instalments commencing from 31 March ,2017 & ending on 31 March, 2034 Secured by first pari-passu charge by way of mortgage over all immovable properties of project , first pari passu charge by way of hypothecation of all the present and future movable assets of the project ,book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies.
L&T Infrastructure Finance Company Limited Interest Rate - 10.75% p.a Net carrying amount on 31 March 2017 is INR 49 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 69 structured quarterly instalments commencing from 31 March, 2017 & ending on 31 March, 2034 Secured by first pari-passu charge by way of mortgage over all immovable properties of project , first pari passu charge by way of hypothecation of all the present and future movable assets of the project ,book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies.
ReNew Solar Power Private Limited, the holding company, has pledged as on 31 March 2017; 7,665,300 (31 March 2016; Nil, 01 April 2015;Nil) equity shares in the company in favour of security trustee on behalf of lender.	
Sungold Energy Private Limited	
L&T Finance Limited Interest Rate - 10.75% p.a Net carrying amount on 31 March 2017 is INR 255 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 69 structured quarterly instalments commencing from 31 March , 2017 & ending on 31 March , 2034 Secured by first pari-passu charge by way of mortgage over all immovable properties of project , first pari passu charge by way of hypothecation of all the present and future movable assets of the project ,book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies.
L&T Infrastructure Finance Company Limited Interest Rate - 10.75% p.a Net carrying amount on 31 March 2017 is INR 49 (31 March 2016: Nil, 1 April 2015: Nil)	Repayable in 68 structured quarterly instalments commencing from 01 June 2017 & ending on 01 March, 2034 Secured by first pari-passu charge by way of mortgage over all immovable properties of project , first pari passu charge by way of hypothecation of all the present and future movable assets of the project ,book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies.
ReNew Solar Power Private Limited, the holding company, has pledged as on 31 March 2017; 7,665,300 (31 March 2016; Nil, 01 April 2015;Nil) equity shares in the company in favour of security trustee on behalf of lender.	

(Amounts in INR million, unless otherwise stated)

16 Deferred governement grant

	31 March 2017	31 March 2016	1 April 2015
Received during the year	12	-	-
Released to the statement of profit and loss	(0)	-	-
Total	**12**	**-**	**-**
Current	0	-	-
Non-current	12	-	-
	12	**-**	**-**

17 Long-Term Provisions

	31 March 2017	31 March 2016	1 April 2015
Provision for gratuity	25	12	7
Total	**25**	**12**	**7**

18 Other non-current liabilities

	31 March 2017	31 March 2016	1 April 2015
Operation and maintenance equalisation reserve	968	600	417
Total	**968**	**600**	**417**

19 Short-term borrowings

	31 March 2017	31 March 2016	1 April 2015
Working capital demand loan (secured) *	-	500	755
Acceptances (secured)**	13,135	4,381	1,188
Buyer's/Supplier's credit (secured)***	3,343	-	-
Loan from body corporates (unsecured)#	97	-	-
Total	**16,575**	**4,881**	**1,943**

Details of terms of Working capital demand loan of INR Nil (31 March 2016: INR 500 ; 1 April 2015: 755) (ReNew Power Ventures Private Limited)

*The working capital demand loan carried interest @ 12.75% -13.5% p.a. (floating).The same was repayable within 1 year of disbursement.

The working capital demand loan was 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.

Details of terms of acceptances of INR 3,663 (31 March 2016: INR 2,320 ; 1 April 2015: INR 603) (ReNew Power Ventures Private Limited)

**Acceptances from Yes Bank and Kotak Mahindra Bank are secured by first 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. For legal purposes these mortgaged assets are tangible assets of the respective companies. Discount rate on acceptances ranges from 7.80% - 9.50% p.a.

Details of terms of acceptances of INR Nil (31 March 2016: INR Nil ; 1 April 2015: INR 585) (ReNew Wind Energy (Rajasthan One) Private Limited)

**Acceptances were secured by first pari passu charge over all future and present current assets and moveable fixed assets and carry interest @ 9.85% p.a. to 10.25% p.a.

Details of terms of acceptances of INR 329 (31 March 2016: INR 223 ; 1 April 2015: INR Nil) (ReNew Wind Energy (AP 3) Private Limited)

**Acceptances are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the Company except assets specially charged to project term lenders and carry interest @ 7.38% - 7.80% per annum.

Details of terms of acceptances of INR Nil (31 March 2016: INR 45, 1 April 2015: Nil) (ReNew Solar Energy (TN) Private Limited)

**Acceptances of INR Nil (31 March 2016: INR 45; 1 April 2015: Nil) is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the company except assets specially charged to project term lenders and carries interest @ 9.20% to 9.35% p.a.

Details of terms of acceptances of INR Nil (31 March 2016: INR 370, 1 April 2015: Nil) (ReNew Wind Energy (Shivpur) Private Limited)

**Acceptances are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the Company except assets specially charged to project term lenders and carry interest @ 9.20%-9.65% per annum.

Details of terms of acceptances of INR Nil (31 March 2016: INR 868, 1 April 2015: Nil) (ReNew Wind Energy (MP Two) Private Limited)

**Acceptances are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the Company except assets specially charged to project term lenders and carry interest @ 9.20%-9.65% per annum.

Details of terms of acceptances of INR Nil (31 March 2016: INR 440, 1 April 2015: Nil) (ReNew Wind Energy (AP) Private Limited)

**Acceptances of INR. Nil; 31 March 2016 INR 440; 1 April, 2015 INR Nil are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the ReNew Power Ventures Private Limited (Holding Company) except assets specially charged to project term lenders and carry interest @ 9.20% per annum.

Details of terms of acceptances of INR 61 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (Renew Wind Energy (Karnataka 3) Private Limited)

**Acceptances of INR 61 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from IDFC bank and secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Pledge of 30% equity shares held by ReNew Solar Power Private Limited (RSPPL) and carries interest at nil.

Details of terms of acceptances of INR 4,584 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (ReNew Wind Energy (Sipla) Private Limited)

**Acceptances of INR 4,584 (31 March 2016 INR Nil , 01 April 2015 INR Nil) is secured by first pari passu charge over all present and future current assets and movable fixed assets. Payable ranging from 90-180 days from the date of issuance. Rate of interest 7.95% to 9.25%.

Details of terms of acceptances of INR 4 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (ReNew Wind Energy (Orissa) Private Limited)

**Acceptances of INR 4 (31 March 2016 INR Nil , 01 April 2015 INR Nil) is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the holding company and carries interest nil.

Details of terms of acceptances of INR 2,246 (Helios Infratech Private Limited)

**Acceptances of INR 2,246 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from Indusind bank is secured by first charge over all immovable properties of project , first charge on all intengibles, first charge by way of hypothecation of all the present and future movable assets of the project , ,book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, of present and future specific to the project. Assignement of titles,interest, benefits, project documents,letter of credit ,guarantee and insurance policies. Rate of interest 7.8% to 8.5%. Pledge of 51% of equity shares.

Details of terms of acceptances of INR 35 (31 March 2016: INR 98 ; 1 April 2015: INR Nil) (Renew Solar Power Private Limited)

**Repayable upto 90 Days. are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the Company except assets specially charged to project term lenders and carries interest nil.

Details of terms of acceptances of INR 121 (31 March 2016: INR 17 ; 1 April 2015: INR Nil) (Renew Solar Energy Private Limited)

**Acceptances of INR 10 (31 March 2016 INR 17, 01 April 2015 INR Nil) from Yes Bank is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the holding company and carries interest nil.

Acceptances of INR 111 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from Indusind Bank is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the holding company and carries interest nil.

Details of terms of acceptances of INR 64 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (ReNew Solar Energy (Telangana) Private Limited)

**Acceptances of INR 7 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from Yes Bank is secured by first pari passu charge 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest.Pledge of 51% equity and preference shares held by RSPPL and carries interest at nil.

**Acceptances of INR 57 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from SBI Bank is secured by first pari passu charge 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest.Pledge of 51% equity and preference shares held by RSPPL and carries interest nil.

Details of terms of acceptances of INR 223 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (ReNew Saur Urja Private Limited)

**Acceptances of INR 223 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from Indusind Bank is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the ultimate holding company. carries interest nil.

Details of terms of acceptances of INR 1,082 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (Renew Saur Shakti Private Limited) (Formerly known as Surya Prakash Urja Bhoomi Private Limited)

**Acceptances of INR 35 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from RBL Bank is secured by first pari passu charge over all present and future current assets and moveable fixed assets of the ultimate holding company and carries interest nil.

**Acceptances of INR 1,047 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from IDFC Bank is secured by First mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest.Pledge of 30% equity shares held by RSPPL . Carries interest nil.

Details of terms of acceptances of INR 600 (31 March 2016: INR Nil) (ReNew Wind Energy (MP Four) Private Limited)

**Acceptances of INR 600 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from IDFC bank is secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Pledge of 30% equity shares held by RSPPL and carries interest nil.

Details of terms of acceptances of INR 43 (31 March 2016: INR Nil ; 1 April 2015: Nil) (ReNew Wind Energy (Karnataka 4) Private Limited)

**Acceptances of INR 43 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from IDFC bank and secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Pledge of 30% equity shares held by RSPPL and carries interest at nil.

Details of terms of acceptances of INR 79 (31 March 2016: INR Nil) (Tarun Kiran Bhoomi Private Limited)

**Acceptances of INR 79 (31 March 2016 INR Nil , 01 April 2015 INR Nil) from IDFC bank and secured by first mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Pledge of 70% equity shares held by RSPPL and carries interest at nil.

Details of terms of repayment and security provided in respect of buyer's/supplier's credit of INR 140 (31 March 2016: INR Nil ; 1 April 2015: Nil) (Renew Solar Power Private Limited)

***Buyer's/supplier's credit carries an interest rate of 3 Months LIBOR +18 Bps (1.23%-1.28%) are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the Company except assets specially charged to project term lenders.

Interest Rate: 3 Months LIBOR +18 Bps (1.23%-1.28%)

(Amounts in INR million, unless otherwise stated)

Details of terms of buyer's/supplier's credit of INR 1,175 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (ReNew Solar Energy (Telangana) Private Limited)

***Buyer's/supplier's credit carries an interest rate of 2 Month Libor +.09 to 2 Month Libor +.25 is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest .

Details of terms of buyer's/supplier's credit of INR 690 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (Renew Saur Shakti Private Limited) (Formerly known as Surya Prakash Urja Bhoomi Private Limited)

***Buyer's/supplier's credit carries an interest rate of 2 Month Libor +.05 to 3 Month Libor +.55 is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest .Pledge of 30% equity and preference shares held by RSPPL

Details of terms of repayment and security provided in respect of buyer's/supplier's credit of INR 1,099 (31 March 2016: INR Nil) (Renew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited))

***Buyer's/supplier's credit carries an interest rate of 1 Month Libor +.5 to 2 Month Libor +.5 secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest. Creation of charge by way of mortgage and assignment is under process.

Details of terms of buyer's/supplier's credit of INR 241 (31 March 2016: INR Nil ; 1 April 2015: INR Nil) (Renew Agni Power Private Limited) (Formerly known as Bhanu Dhara Kiran Private Limited)

***Buyer's/supplier's credit carries an interest rate of 6 Month Libor +.50 is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest . Pledge of 30% equity shares held by RSPPL.

Details of terms of loan from Body Corporate of INR 97 (Shruti Power Projects Private Limited)

#Unsecured loan from body corporate of INR. 97 (31 March 2016 INR Nil , 01 April 2015 INR Nil), no interest is payable on the loan and shall be repaid as per clause 7.1.6 of the share purchase agreement dated August 3, 2016.

20 Trade payables	**31 March 2017**	**31 March 2016**	**1 April 2015**
Current			
Outstanding dues to micro enterprises and small enterprises (refer note 44)	-	-	-
Others	2,394	332	221
Total	**2,394**	**332**	**221**

21 Derivative instruments	**31 March 2017**	**31 March 2016**	**1 April 2015**
Financial liabilities at fair value through OCI			
Current			
Cash flow hedges			
Derivative instruments	2,244	233	85
Total	**2,244**	**233**	**85**

22 Other current financial liabilities			
Financial liabilities at amortised cost			
Current maturities of long term borrowings (Refer note 15)	1,744	1,277	1,355
Others			
Interest accrued but not due on borrowings	910	98	51
Interest accrued and due on borrowings (refer note 49)	16	40	13
Interest accrued but not due on debentures	218	55	13
Capital creditors	15,227	10,703	5,403
Purchase Consideration payable	162	-	-
Share application money received and due for refund (refer note 14.1)	2	-	-
Total	**18,279**	**12,173**	**6,835**

23 Other current liabilities	**31 March 2017**	**31 March 2016**	**1 April 2015**
Advance from customers	1	-	-
Operation and maintenance equalisation reserve	93	120	59
Other payables			
TDS payable	765	119	95
Service tax payable	116	0	32
WCT payable	22	4	2
VAT/CST payable	35	0	4
Labour welfare fund payable	0	0	0
Provident fund payable	7	4	3
Total	**1,039**	**247**	**195**

24 Short term Provisions	**31 March 2017**	**31 March 2016**	**1 April 2015**
Provision for gratuity	1	0	0
Provision for Leave encashment	29	11	1
Provision for income tax (net of advance income tax)	49	10	3
Total	**79**	**21**	**4**

(Amounts in INR million, unless otherwise stated)

25 Revenue from operations	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale of power	12,997	6,087
Sale from Engineering, Procurement and Construction services	4	2
Income from sale of renewable energy certificates	72	47
Total	**13,073**	**6,136**

26 Other income	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest income		
- on fixed deposit with banks	919	822
-others	108	9
Profit on sale of investments	10	-
Foreign exchange gain	43	0
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	10	-
Insurance claim	145	-
Compensation for loss of revenue	407	-
Government grant		
- generation based incentive	783	436
- sale of Emission reduction certificates	-	6
Miscellaneous income	10	1
Total	**2,435**	**1,274**

27 Cost of raw material and components consumed	For the year ended 31 March 2017	For the year ended 31 March 2016
Cost of raw material and components consumed	4	-
Total	**4**	**-**

28 Employee benefits expense	For the year ended 31 March 2017	For the year ended 31 March 2016
Salaries, wages and bonus	299	94
Contribution to provident and other funds	15	3
Share based payment (refer note 34)	185	59
Gratuity expense (refer note 33)	1	0
Staff Welfare Expenses	12	7
Total	**512**	**163**

29 Other expenses	For the year ended 31 March 2017	For the year ended 31 March 2016
Legal and professional fees	373	138
Corporate social responsibility (refer note 45)	23	15
Travelling and conveyance	82	38
Rent	28	17
Director's commission	3	6
Printing and stationery	1	2
Rates and taxes	68	64
Payment to auditors*	44	13
Insurance	79	23
Operation and maintenance	968	447
Repair and maintenance	14	37
Loss on sale of asset	2	0
Bidding expenses	8	11
Advertising and sales promotion	8	7
Security charges	42	25
Communication costs	7	5
Capital work in progress written off	73	-
Miscellaneous expenses	67	41
Total	**1,890**	**889**

*Payment to Auditors	For the year ended 31 March 2017	For the year ended 31 March 2016
As auditor:		
Audit fee	17	10
Reimbursement of expenses	4	1
In other capacity:		
Certification fees	1	0
Other services	22	2
	44	**13**

(Amounts in INR million, unless otherwise stated)

30 Depreciation and amortization expense	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation of tangible assets (refer note 4)	3,803	2,075
Amortisation of intangible assets (refer note 5)	25	9
Total	**3,828**	**2,084**

31 Finance costs	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest expense on		
- term loans	4,046	2,926
- on working capital demand loan	122	105
- bonds	481	-
- acceptance	653	101
- buyer's/supplier's credit	448	139
- debentures	1,862	924
- liability component of compulsorily convertible debentures	22	1
- others	6	5
Amortization of Option premium	16	33
Bank charges	174	103
Unamortised ancillary borrowing cost written off*	429	96
Total	**8,259**	**4,433**

* Represents carried forward unamortised cost pertaining to existing loan charged to statement of profit & loss on account of refinancing.

32 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:

	For the year ended 31 March 2017	For the year ended 31 March 2016
Net profit for calculation of basic EPS	506	915
Weighted average number of equity shares for calculating basic EPS	281,984,176	224,645,618
Basic earnings per share	1.80	4.07
Net profit for calculation of diluted EPS	514	915
Weighted average number of equity shares for calculating diluted EPS*	290,182,623	224,645,618
Diluted earnings per share	1.77	4.07

	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	281,984,176	224,645,618
Effect of dilution		
Convertible equity for convertible debentures	8,198,447	8,853,353
Convertible equity for employee stock option plan	18,542,279	16,708,000
Weighted average number of equity shares in calculating diluted EPS	308,724,902	250,206,971

* Impact of convertible equity for employee stock option plan is anti-dilutive and have not been considered for computation of diluted EPS in current year. However in previous year both CCD and convertible equity for employee stock option were anti-dilutive and were not considered for compuatation of diluted EPS.

(Amounts in INR million, unless otherwise stated)

33 Gratuity and other post-employment benefit plans

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

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

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

Statement of profit and loss

Net employees benefit expense recognised in employee cost	**31 March 2017**	**31 March 2016**
Current service cost	6	4
Interest cost on benefit obligation	1	1
Net benefit expense*	**7**	**5**

Balance Sheet

Benefit asset/(liability)	**31 March 2017**	**31 March 2016**
Present value of unfunded obligation	(26)	(13)
Fair value of plan assets	-	-
Net liability	(26)	(13)

	31 March 2017	**31 March 2016**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	13	7
Current service cost	6	4
Interest cost	1	1
Benefits paid	-	-
Actuarial (gains) / losses on obligation	5	1
Closing defined benefit obligation	25	13

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

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

The principal assumptions used in determining gratuity obligations	**31 March 2017**	**31 March 2016**
Discount rate	7.40%	7.86%
Salary Escalation	10.00%	10.00%

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

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

Particulars	**Change in assumptions**	**31 March 2017**	**31 March 2016**
Discount rate	+ 0.5%	24	12
	- 0.5%	27	14
Salary escalation	+ 0.5%	27	13
	- 0.5%	25	12

Gratuity amounts for current year and previous years	**31 March 2017**	**31 March 2016**	**31 March 2015**	**31 March 2014**	**31 March 2013**
Defined benefit obligation	26	13	7	4	2
Surplus/(Deficit)	(26)	(13)	(7)	(4)	(2)
Experience adjustment on plan (gain)/loss	4	(0)	(1)	1	0

Defined contribution plan:	**31 March 2017**	**31 March 2016**
Contribution to provident fund & other fund charged to statement of profit & loss*	37	20

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

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	**31 March 2017**	**31 March 2016**
Within next 12 months	0.89	0.36
Between 2 and 5 years	6.51	3.12
Between 5 and 10 years	8.49	5.54
Beyond 10 years	63.81	32.53

The weighted average duration to the payment of these cash flows is 12.39 years (31 March 2016: 11.92 years).

(Amounts in INR million, unless otherwise stated)

34 Share Based Payment

The Company has three share-based payment schemes for its employees:
2016 Stock Option Plan, 2014 Stock Option Plan, 2011 Stock Option Plan 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:

Terms	2016 Stock Option Plan	2014 Stock Option Plan	2011 Stock Option Plan
Grant Date	Multiple	Multiple	Multiple
Vesting period	**Time linked vesting:** 5 years on quarterly basis effective from December 1, 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 a quarterly basis for the unvested Options commencing from December 1, 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 EBIDTA achieved by the Company for the last completed financial year. The Vesting of the Options shall take place at the end of first anniversary of the date of Grant ("Vesting Date") and thereafter on March 31, 2018 and March 31, 2019 or at a later date when the audited financial statements of the Company are available.	5 years on quarterly basis which shall commence one year after the date of grant of option	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
Exercise price	Rs. 205	Rs. 100 or 131	Rs. 100
Settlement type	Equity settled	Equity settled	Equity settled

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

Particulars	2016 Stock Option Plan		2014 Stock Option Plan		2011 Stock Option Plan	
	No of options		No of options		No of options	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Outstanding at the beginning of the year	-	-	13,453,544	13,566,544	3,254,456	3,295,456
Granted during the year *	5,325,000	-	-	-	-	-
Correction of opening balance**	-	-	-		-	417,000
Forfeited during the year	-	-	17,500	113,000	1,500	34,000
Repurchase during the year	-	-	-	-	-	424,000
Exercised during the year	-	-	9,853,951	-	986,906	-
Outstanding at the end of the year	5,325,000	-	3,582,093	13,453,544	2,266,050	3,254,456
Exercisable at the end of the year	-	-	2,027,915	4,818,000	2,230,800	2,656,000

Particulars	2016-2017	2015-16
Dividend yield (%)	2%	2%
Expected volatility (%)	34%	34%
Risk–free interest rate (%)	6.9% - 8.53%	6.9% - 8.53%
Weighted average remaining contractual life	6.87 years	7.30 years

* Includes options which have been granted during the year with effective dates in previous periods.

** Opening balance has been corrected.

The fair value of share options granted is estimated at the date of grant using a black-scholes simulation model, taking into account the terms and conditions upon which the share options were granted.

35 Operating lease commitments

The Company has entered into commercial property lease for its offices and projects. The lease have non-cancellable commitment period which has remaining term of 1-2 years.

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

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Within one year	45	35
After one year but not more than five years	30	25

(Amounts in INR million, unless otherwise stated)

36 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Subsidiaries under direct control:

Sl.No	Name of Companies	Date of Incorporation	31 March 2017	31 March 2016	1 April 2015
1	ReNew Wind Energy (AP 3) Private Limited	7 June 2013	100%	100%	100%
2.	ReNew Solar Power Private Limited	5 June 2012	100%	100%	100%
3.	ReNew Wind Energy (MP) Private Limited	26 September 2012	100%	100%	100%
4.	ReNew Wind Energy (Varekarwadi) Private Limited	16 September 2011	100%	100%	100%
5.	ReNew Wind Energy Delhi Private Limited	8 March 2011	100%	100%	100%
6.	ReNew Wind Energy (Jamb) Private Limited	25 September 2012	100%	100%	100%
7.	ReNew Wind Energy (Devgarh) Private Limited	25 May 2012	100%	100%	100%
8.	ReNew Wind Energy (AP) Private Limited	25 September 2012	68.11%	68.32%	68.63%
9.	Helios Infratech Private Limited (w.e.f. 24 August 2016)	22 February 2010	100%	-	-
10.	Narmada Wind Energy Private Limited	11 February 2008	100%	100%	100%
11.	ReNew Wind Energy (Sipla) Private Limited	21 May 2012	100%	100%	100%
12.	Shruti Power Projects Private Limited (w.e.f. 16 September 2016)	6 March 2013	100%	-	-
13.	Lexicon Vanijya Private Limited # (w.e.f. 2 December 2016)	25 February 2008	100%	-	-
14.	Symphony Vyapaar Private Limited # (w.e.f. 2 December 2016)	25 February 2008	100%	-	-
15.	ReNew Solar Energy (Jharkhand One) Private Limited #	9 June 2016	100%	-	-
16.	ReNew Solar Energy (Jharkhand Three) Private Limited #	14 June 2016	100%	-	-
17.	ReNew Solar Energy (Jharkhand Four) Private Limited #	13 June 2016	100%	-	-
18.	ReNew Solar Energy (Jharkhand Five) Private Limited #	9 June 2016	100%	-	-
19.	ReNew Wind Energy (Karnataka Two) Private Limited	5 April 2013	100%	100%	100%
20.	Abaha Wind Energy Developers Private Limited	16 May 2013	100%	100%	100%
21.	ReNew Solar Energy Private Limited	1 April 2013	100%	100%	100%
22.	ReNew Wind Energy (TN) Private Limited	2 April 2013	100%	100%	100%
23.	ReNew Wind Energy (Budh 3) Private Limited #	5 April 2013	100%	100%	100%
24.	ReNew Wind Energy (MP One) Private Limited	23 November 2013	100%	100%	100%
25.	ReNew Solar Energy (Telangana) Private Limited # *	25 March 2015	51%	100%	100%
26.	ReNew Power Services Private Limited #	15 June 2016	100%	-	-
27.	ReNew Solar Energy (Karnataka Two) Private Limited #	21 June 2016	100%	-	-
28.	ReNew Wind Energy (Shivpur) Private Limited	12 September 2011	100%	100%	100%
29.	ReNew Wind Energy (Karnataka) Private Limited	17 May 2012	64.89%	69.99%	70.00%
30.	ReNew Wind Energy (Karnataka 3) Private Limited #	1 June 2013	100%	100%	100%
31.	ReNew Wind Energy (AP Five) Private Limited #	4 March 2015	100%	100%	100%
32.	ReNew Saur Urja Private Limited #	20 April 2015	100%	100%	-
33.	Bhumi Prakash Private Limited #	5 October 2015	100%	100%	-
34.	Tarun Kiran Bhoomi Private Limited #	5 October 2015	100%	100%	-
35.	ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited) #	6 October 2015	100%	100%	-
36.	ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited) #	6 October 2015	100%	100%	-
37.	ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited) # *	6 October 2015	51%	100%	-
38.	ReNew Wind Energy (Rajasthan 2) Private Limited	4 April 2013	100%	100%	100%
39.	ReNew Wind Energy (MP Two) Private Limited	23 November 2013	100%	100%	100%
40.	ReNew Wind Energy (Jath Three) Private Limited	30 April 2013	100%	100%	100%
41.	ReNew Wind Energy (Karnataka 4) Private Limited #	23 November 2013	100%	100%	100%
42.	ReNew Wind Energy (Maharashtra) Private Limited #	23 November 2013	100%	100%	100%
43.	ReNew Wind Energy (MP Four) Private Limited #	5 March 2015	100%	100%	100%
44.	ReNew Wind Energy (AP 2) Private Limited	5 April 2013	100%	100%	100%
45.	ReNew Wind Energy (Orissa) Private Limited	25 September 2012	100%	100%	100%
46.	ReNew Wind Energy (AP 4) Private Limited	17 September 2013	100%	100%	100%
47.	ReNew Wind Energy (Jadeswar) Private Limited	30 August 2011	100%	100%	100%
48.	ReNew Wind Energy (Welturi) Private Limited	23 May 2012	100%	100%	100%
49.	ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4)	4 April 2013	100%	100%	100%
50.	ReNew Solar Energy (Rajasthan) Private Limited #	4 April 2013	100%	100%	100%
51.	ReNew Wind Energy (Vaspet 5) Private Limited	26 April 2013	100%	100%	100%
52.	ReNew Solar Energy (Karnataka) Private Limited # *	3 June 2013	51%	51%	100%
53.	ReNew Wind Energy (TN 2) Private Limited #	12 August 2013	100%	100%	100%
54.	ReNew Wind Energy (Rajkot) Private Limited	25 August 2011	100%	100%	100%
55.	ReNew Wind Energy (Rajasthan) Private Limited	16 May 2012	100%	100%	100%
56.	ReNew Akshay Urja Private Limited # *	19 January 2015	56%	56%	100%
57.	ReNew Wind Energy (Jath) Limited	21 May 2012	100%	100%	100%
58.	ReNew Wind Energy (Rajasthan One) Private Limited	23 November 2013	100%	100%	100%
59.	ReNew Wind Energy (Rajasthan 3) Private Limited	23 November 2013	100%	100%	100%
60.	ReNew Solar Energy (TN) Private Limited #	4 June 2013	99.99%	99.99%	99.99%
61.	ReNew Wind Energy (Karnataka Five) Private Limited	27 November 2013	100%	100%	100%
62.	ReNew Wind Energy (MP Three) Private Limited #	4 March 2015	100%	100%	100%
63.	ReNew Wind Energy (Rajasthan Four) Private Limited #	4 March 2015	100%	100%	100%
64.	ReNew Clean Energy Private Limited #	24 March 2015	100%	100%	100%
65.	ReNew Distributed Solar Energy Private Limited ##	19 September 2016	100%	-	-
66.	ReNew Distributed Solar Services Private Limited ##	19 September 2016	100%	-	-
67.	ReNew Distributed Solar Power Private Limited ##	19 September 2016	100%	-	-
68.	ReNew Surya Mitra Private Limited ##	4 October 2016	100%	-	-
69.	ReNew Surya Prakash Private Limited ##	4 October 2016	100%	-	-
70.	ReNew Saur Vidyut Private Limited ##	6 October 2016	100%	-	-
71.	Star Solar Power Private Limited # (w.e.f. 1 December 2016)	28 May 2010	100%	-	-
72.	Sungold Energy Private Limited # (w.e.f. 1 December 2016)	31 May 2010	100%	-	-
73.	SunSource Energy Services Private Limited ## (w.e.f. 1 December 2016)	18 April 2013	100%	-	-
74.	ReNew Solar Daylight Energy Private Limited ##	20 January 2017	100%	-	-
75.	ReNew Solar Sun Flame Private Limited ##	20 January 2017	100%	-	-
76.	Molagavalli ReNewable Private Limited ### (w.e.f. 25 March 2017)	7 January 2017	100%	-	-

The 100% shareholding is held in these companies by ReNew Solar Power Private Limited, which is a 100% subsidiary of ReNew Power Ventures Private Limited.

The 100% shareholding is held in these companies by ReNew Solar Energy Private Limited, which is a 100% subsidiary of ReNew Power Ventures Private Limited.

The 100% shareholding is held in this company by ReNew Wind Energy (AP 2) Private Limited, which is a 100% subsidiary of ReNew Power Ventures Private Limited.

* These companies have legal form of joint venture, however, for accounting purposes these companies have been concluded as subsidiaries since the respective other joint venturers have only protective rights.

(Amounts in INR million, unless otherwise stated)

37 Related Party Disclosures

a) Names of related parties and related party relationship

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

I. Holding Company :
GS Wyvern Holdings Limited

II. Key management personnel :
Mr. Sumant Sinha, Director, Chairman and CEO of ReNew Power Ventures Private Limited.

III. Enterprise owned or significantly influenced by key management personnal or their relatives:

Cognisa investment
Wisemore Advisory Private Limited

IV. Remuneration to key managerial personnel:

	31-Mar-17	31-Mar-16
Mr. Sumant Sinha	385	194

Above remuneration includes share based payment of INR 295 (31 March 2016: INR 139).

V. Transactions and balances with enterprises owned or significantly influenced by key management personnel or their relatives

Transactions during the year	Cognisa Investment		Wisemore Advisory Private Limited	
Particulars	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Interest on compulsorily convertible debentures	0	0	-	-
Final call against issue of equity shares*	-	-	29	-

Balances as on year end	Cognisa Investment			Wisemore Advisory Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Compulsorily convertible debentures	-	147	147	-	-	-
Interest accrued but not due	-	0	0	-	-	-
Equity share capital	89	0	0	147	-	-

*Full and final call of Rs. 7.5 per equity share against 3,816,794 shares made during the year.

(Amounts in INR million, unless otherwise stated)

38 Segment Information

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

The Group discloses segment information in a manner consistent with internal reporting to group's Managing Director. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 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 operating profit, comparable operating profit and comparable EBITDA.

No Operating segment has been aggregated to form the above reportable operating segments.

	For the year ended 31 March 2017			For the year ended 31 March 2016		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Revenue from operations	10,172	2,901	13,073	5,602	534	6,136
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**10,172**	**2,901**	**13,073**	**5,602**	**534**	**6,136**
Interest income	330	217	547	214	123	338
Other income (other than interest income)	1,351	51	1,402	443	-	443
Exceptional Items	-	-	-	1,171	-	1,171
Total	**11,853**	**3,169**	**15,022**	**7,430**	**657**	**8,088**
Add: Unallocable income	-	-	486	-	-	493
Total Income	**11,853**	**3,169**	**15,508**	**7,430**	**657**	**8,581**
Less: Other expenses	1,435	572	2,007	755	61	816
Less: Unallocable expesnes	-	-	399	-	-	236
Total Expenses	**1,435**	**572**	**2,406**	**755**	**61**	**1,052**
Earning before interest, tax, depreciation and amortization (EBITDA)	**10,418**	**2,597**	**13,102**	**6,675**	**596**	**7,529**
Depreciation and amortization expense (net)			3,828			2,084
Finance costs			8,259			4,433
Profit before tax			**1,015**			**1,012**

(Amounts in INR million, unless otherwise stated)

39 Fair values

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

	31 March 2017		31 March 2016		1 April 2015	
	Carrying value	**Fair value**	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Financial liabilities						
Derivative instruments- Cross currency interest rate swaps	2,244	2,244	233	233	85	85
Term loans from banks and financial institutions	35,810	35,810	32,255	32,255	24,735	24,735
Compulsory convertible debentures	587	587	129	129	-	-
Senior secured bonds	31,151	31,151	-	-	-	-
Non convertible debentures (unlisted)	16,698	16,698	6,748	6,748	3,949	3,949
Non convertible debentures (listed)	4,252	4,252	4,343	4,343	-	-
Buyer's/supplier's credit	15,692	15,692	9,706	9,706	1,183	1,183
Financial assets						
Derivative instruments- Cross currency interest rate swaps	-	-	180	180	-	-

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

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

i The fair values of the Group's term loans from banks and financial institutions including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2017 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsory convertible debentures, senior secured bonds and unlisted non convertible debentures are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii 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.

iv Fair value of quoted non convertible debentures is based on quoted market price at the reporting date.

40 Fair value hierarchy

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 period end:

	Date of valuation	Carrying Amount	Fair value measurement using Quoted prices in active markets (Level 1) Fair Value	Fair value measurement using Significant Observable Inputs (Level 2) Fair Value	Fair value measurement using Significant Unobservable Inputs (Level 3) Fair Value
Financial liabilities:					
Derivatives in effective hedges- Cross currency interest rate swaps	31 March 2017	2,244	-	2,244	-
	31 March 2016	233	-	233	-
	1 April 2015	85	-	85	-
Term loans from banks and financial institutions	31 March 2017	35,810	-	35,810	-
	31 March 2016	32,255	-	32,255	-
	1 April 2015	24,735	-	24,735	-
Compulsory convertible debentures	31 March 2017	587	-	587	-
	31 March 2016	129	-	129	-
	1 April 2015	-	-	-	-
Buyer's/supplier's credit	31 March 2017	15,692	-	15,692	-
	31 March 2016	9,706	-	9,706	-
	1 April 2015	1,183	-	1,183	-
Senior secured bonds	31 March 2017	31,151	-	31,151	-
	31 March 2016	-	-	-	-
	1 April 2015	-	-	-	-
Non convertible debentures (unlisted)	31 March 2017	16,698	-	16,698	-
	31 March 2016	6,748	-	6,748	-
	1 April 2015	3,949	-	3,949	-
Non convertible debentures (listed)	31 March 2017	4,252	-	4,252	-
	31 March 2016	4,343	-	4,343	-
	1 April 2015	-	-	-	-
Financial assets:					
Derivatives in effective hedges- Cross currency interest rate swaps	31 March 2017	-	-	-	-
	31 March 2016	180	-	180	-
	1 April 2015	-	-	-	-

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Derivative instruments- Cross currency interest rate swaps	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flows
Buyer's/supplier's credit	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loans from banks and financial institutions	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Compulsory convertible debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Senior secured bonds	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Non convertible debentures (unlisted)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Non convertible debentures (listed)	Level 1	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial assets			
Derivative instruments- Cross currency interest rate swaps	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flows

(Amounts in INR million, unless otherwise stated)

41 Financial Risk Management objectives and policies

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

Market Risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2017 and 31 March 2016. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2017.

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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. With all other variables held constant, the Group's profit before tax is affected through the impact on financial liabilities, as follows:

	31 March 2017		31 March 2016	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+/(-)50	(-)/+ 146	+/(-)50	(-)/+ 132
US dollar	+/(-)60	(-)/+ 3	+/(-)60	(-)/+ 3

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.

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. The Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Group does not undertake any speculative transaction.

Foreign currency sensitivity

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

	31 March 2017		31 March 2016	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(24)	24	(25)	25

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 but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

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

Trade Receivables

Customer credit risk is managed basis established policies of 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 utilties/goverment entities as its customers with high credit worthiness and therefore the group does not see any significant risk related to credit.

The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by Group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the 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.

(Amounts in INR million, unless otherwise stated)

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

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and Financial Institutions				10,617	23,601	34,218
Senior Secured Bonds				31,151		31,151
Buyer's credit				15,692		15,692
Unlisted redeemable, non cumulative and non convertible debentures (secured)				14,705	1,993	16,698
Listed redeemable, non cumulative and non convertible debentures (secured)				1,100	2,999	4,099
Compulsorily convertible debentures				-	587	587
Short term borrowings						
Acceptances		9,143	3,992			13,135
Buyer's/Supplier's credit		3,343				3,343
Loan from body corporate	97					97
Other financial liabilities						
Current maturities of long term borrowings		558	1,186			1,744
Interest accrued but not due on borrowings		500	410			910
Interest accrued and due on borrowings		16				16
Interest accrued but not due on debentures		218				218
Mark to market on derivatives		2,244				2,244
Capital Creditors		15,227				15,227
Purchase consideration payable		162				162
Share application money pending allotment		2				2
Trades and other payables						-
Trades payables		2,394				2,394

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

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

(Amounts in INR million, unless otherwise stated)

Year ended 31 March 2016	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and Financial Institutions				9,122	21,949	31,071
Buyer's credit				9,706		9,706
Unlisted redeemable, non cumulative and non convertible debentures (secured)				6,748		6,748
Listed redeemable, non cumulative and non convertible debentures (secured)				913	3,338	4,251
Compulsorily convertible debentures					129	129
Short term borrowings						
Working capital demand loan			500			500
Acceptances		1,301	3,080			4,381
Other financial liabilities						
Current maturities of long term borrowings		212	1,065			1,277
Interest accrued but not due on borrowings		98				98
Interest accrued and due on borrowings		40				40
Interest accrued but not due on debentures		55				55
Mark to market on derivatives		233				233
Capital Creditors		10,703				10,703
Share application money pending allotment		-				-
Trades and other payables						
Trades payables		332				332

Year ended 1 April 2015	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and Financial Institutions				6,970	16,409	23,379
Buyer's credit				1,183		1,183
Unlisted redeemable, non cumulative and non convertible debentures (secured)				3,949		3,949
Short term borrowings						
Working capital demand loan			755			755
Acceptances		175	1,013	-		1,188
Other financial liabilities						
Current maturities of long term borrowings		263	1,092			1,355
Interest accrued but not due on borrowings		51				51
Interest accrued and due on borrowings		13				13
Interest accrued but not due on debentures		13				13
Mark to market on derivatives		85				85
Capital Creditors		5,403				5,403
Trades and other payables						
Trades payables		221				221

42 Capital management

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

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

To maintain or adjust the capital structure, the 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, trade and other payables, less cash and short-term deposits.

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

In order to achieve this overall objective, the capital management 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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

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

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

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2017, the Group has capital commitment (net of advances) pertaining to commissioning of wind and solar energy projects of INR 11,657 (31 March 2016: 10,167 ; 1 April 2015: 12,667).

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

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

Particulars	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil	Nil

45 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the Group during the year is INR 20 (31 March 2016 INR 11).
(b) Amount spent during the year on:

List of CSR activities	In Cash	Yet to be paid	Total
i) Construction / Acquisition of any asset	NIL	NIL	NIL
ii) On the purposes other than (i) above:			
Current year	13	10	23
Previous year	8	7	15
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,			
3) Ensuring environmental sustainability- animal welfare Plantation, environment awareness,			
4) Animal Welfare-Animal health camp, Para -vet training			
5) Education awareness, Remedial classes for weak students etc.			
6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.			

46 Pursuant to notification dated 30 March 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8 November 2016 to 30 December 2016 as provided in the Table below:

(Amount in INR, not in millions)

Particulars	SBN	Other denomination notes	Total
Closing cash in hand as on 8 November 2016	30,500	257	30,757
(+) Permitted receipts	-	361,664	361,664
(-) Permitted payments	10,500	256,082	266,582
(-) Amount deposited in Banks	20,000	-	20,000
Closing cash in hand as on 30 December 2016	-	105,839	105,839

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

48 During the previous year, the Group reached settlement with certain suppliers/contractors on account of delay in commissioning of power projects. Resultantly, amount of Rs.975 towards Liquidated Damages ('LDs') and Rs.196 towards interest on advance was recognized in the statement of profit and loss.

Since, the said LDs were directly linked to capital assets i.e. power assets, the same were considered as capital receipt and thus were not included in book profit under section 115JB of the Income Tax Act, 1961 by respective subsidiaries. The same is also supported by the opinion of the experts obtained by the Group.

49 The Group is regular in payment of dues to the banks and financial institutions, however in following cases due to procedural delay in creation of security additional interest has been charged. The Group is in discussion with the said financial institutions for its waiver. The details of the additional interest for respective subsidiaries are as below:

ReNew Wind Energy (Rajasthan One) Private Limited

Term loans in India rupees from	**For the year ended March 31, 2017**	**As at March 31, 2017**	**Period for which interest was due**
L&T Infrastructure Finance Company Limited	10	10	April 1, 2016 to March 31, 2017
L&T FinCorp Limited	6	6	

50 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 7.24% to 9.07% p.a. and receive a variable interest at 1 month LIBOR plus 0.5% p.a. to 6 month LIBOR plus 0.99% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 10.61% to 13.50% p.a. and receive a variable interest at 6 month LIBOR plus 3% to 3.85% p.a. on the notional amount.

The cash flow hedges through CCIRS is USD 324,259,864 and forward of USD 281,264,035 outstanding at the year ended 31 March 2017 were assessed to be highly effective and a mark to market loss of INR 1,224 (31 March 2016: INR 75; 31 March 2015: INR 122) with a deferred tax asset of INR 378 (31 March 2016: INR 23; 1 April 2015: INR 38), is included in OCI.

Foreign currency and Interest rate risk

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

	31 March 2017		**31 March 2016**		**1 April 2015**	
	Assets	**Liabilities**	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Derivative contracts designated as hedging instruments	-	2,244	180	233	-	85

(Amounts in INR million, unless otherwise stated)

51 Business combinations

Acquisition of Shruti Power Projects Private Limited

On 16 September 2016, the group acquired 100% of the voting shares of Shruti Power Projects Private Limited, an unlisted company 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 Shruti Power Projects Private Limited because group believes that the acquisition would enable the group to strengthen its position in renewable sector.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Shruti Power Projects Private Limited as at the date of acquisition were:

Assets	**Amount**
Property plant and equipment	557
Customer Contracts	48
Loans	0
Other non-current assets	0
Prepayments	13
Cash and cash equivalents	14
Bank balances other than cash and cash equivalent	52
Others	0
Other current assets	111
	795

Liabilities	**Amount**
Long-term borrowings	375
Short-term borrowings	97
Deferred tax liabilities (net)	(0)
Trade payables	25
Other current financial liabilities	26
Other current liabilities	0
	523
Total identifiable net assets at fair value	272
Goodwill/(Bargain purchase) on acquisition	(75)
Purchase consideration transferred	197

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property plant and equipment and Ingangible Assets.

Due to the group's long term contractual relationship with the seller and its leadership position in the wind energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 75.

From the date of acquisition, Shruti Power Projects Private Limited has contributed INR 26 of revenue and loss before tax of INR 12. If the combination had taken place at the beginning of the year, revenue from operations would have been INR 92 and the profit before tax would have been INR 16.

Acquisition of Helios Infratech Private Limited

On 24 August 2016, the group acquired 100% of the voting shares of Helios Infratech Private Limited, a unlisted company 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 Helios Infratech Private Limited because group believes that the acquisition would enable the group to strengthen its position in renewable sector.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Helios Infratech Private Limited as at the date of acquisition were:

Assets	**Amount**
Customer Contracts	156
Development Rights	36
Other non-current assets	0
Cash and cash equivalents	1
Other current assets	0
	193

Liabilities	**Amount**
Short-term borrowings	28
Deferred tax liabilities (net)	29
Trade payables	2
Other current liabilities	0
	59
Total identifiable net assets at fair value	134
Goodwill/(Bargain purchase) on acquisition	116
Purchase consideration transferred	250

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

Goodwill is allocated entirely to the wind power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, Helios Infratech Private Limited has contributed INR 0.19 of revenue and loss before tax of INR 5. If the combination had taken place at the beginning of the year, revenue from operations would have been INR 0.19 and the loss before tax would have been INR 6.

(Amounts in INR million, unless otherwise stated)

Acquisition of Molagavalli Renewable Private Limited

On 25 March 2017, the group acquired 100% of the voting shares of Molagavalli Renewable Private Limited, a unlisted company 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 Molagavalli Renewable Private Limited because group believes that the acquisition would enable the group to strengthen its position in renewable sector.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Molagavalli Renewable Private Limited as at the date of acquisition were:

Assets	**Amount**
Customer Contracts	74
Property plant & equipment	3,565
Cash and cash equivalents	0
	3,639
Liabilities	**Amount**
Deferred tax liabilities (net)	14
Trade payables	0
Other current financial liabilities	3,565
	3,579
Total identifiable net assets at fair value	60
Goodwill/(Bargain purchase) on acquisition	(37)
Purchase consideration transferred	23

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property, plant and equipment and Intangible assets.

Due to the group's long term contractual relationship with the seller and its leadership position in the wind energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 37.

From the date of acquisition, Molagavalli Renewable Private Limited has contributed INR 0.40 of revenue and loss before tax of INR 0.01. If the combination had taken place at the beginning of the year, revenue from operations would have been INR 0.40 and the loss before tax would have been INR 0.02.

Acquisition of Sunsource Energy Services Private Limited

On 1 December 2016, the group acquired 100% of the voting shares of Sunsource Energy Services Private Limited, a non-listed company based in India and carrying out business activites relating to generation of power through non-conventional and renewable energy sources, in exchange for cash consideration. The group acquired Sunsource Energy Services Private Limited because group belives that the acquisition would enable the group to strengthen its position in renewable sector.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Sunsource Energy Services Private Limited as at the date of acquisition were:

Assets	**Amount**
Customer Contracts	3
Cash and cash equivalents	0
	3
Liabilities	**Amount**
Deferred tax liabilities (net)	1
Trade payables	0
Short-term borrowings	0
	1
Total identifiable net assets at fair value	2
Goodwill/(Bargain purchase) on acquisition	(2)
Purchase consideration transferred	0

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of intangible assets.

Due to the group's long term contractual relationship with the seller and its leadership position in the Solar energy sector, the group was in favourable position to negotiate a bargain purchase and accordingly this resulted in a bargain purchase of INR 2.

From the date of acquisition, Sunsource Energy Services Private Limited has contributed INR Nil of revenue and loss before tax of INR 0.74. If the combination had taken place at the beginning of the year, revenue from operations would have been INR Nil and the loss before tax would have been INR 0.83.

(Amounts in INR million, unless otherwise stated)

Acquisition of entities from Vikram Solar group

The group acquired 100% shares of 4 entities from Vikram Solar Group namely Lexicon Vanijya Private Limited and Symphony Vyapaar Private Limited on 2 December 2016; Star Solar Power Private Limited and Sungold Energy Private Limited on 1 December 2016. All the entities are unlisted company 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 all these entities because group believes that the acquisition would enable the company to strengthen its position in renewable sector.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of all the Vikram Solar entities acquisitions as at the date of acquisition were:

Assets	**Amount**
Property, plant and equipment	1,507
Customer Contracts	819
Prepayments	2
Deferred tax assets (net)	16
Non-Current Investments	95
Other non-current assets	10
Current Investments	6
Trade receivables	2
Cash and cash equivalents	28
Bank balances other than cash and cash equivalent	63
Others	228
	2,776

Liabilities	**Amount**
Long-term borrowings	1,824
Deferred tax liabilities (net)	25
Trade payables	2
Other current financial liabilities	98
Other current liabilities	2
	1,951

Total identifiable net assets at fair value	825
Goodwill/(Bargain purchase) on acquisition*	155
Purchase consideration transferred	980

The deferred tax liabilities mainly comprises the tax effect of the accelerated depreciation for tax purposes of Property, Plant & Equipments and intangible assets.

Goodwill is allocated entirely to the solar power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition, acquired Vikram Solar group entities has jointly contributed INR 169 of revenue from operation and profit before tax of INR 48. If the combination had taken place at the beginning of the year, revenue from operations would have been INR 427 and the profit before tax would have been INR 57.

52 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The 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.

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.

Adjustments to "Other Equity" on account of equity component of compound financial instruments, with regard to compulsorily convertible debentures, have not be considered as part of the transition amount for the purpose of computation of MAT under section 115JB of the Income Tax Act, 1961 basis legal opinion taken by the Company.

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 39 and 41 for further disclosures.

Depreciation on property, plant and equipment

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

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

53 First Time Adoption of Ind AS

These consolidated financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS.

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

A Exemptions Applied:-

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

I Property, Plant and Equipment

Freehold land, plant and equipment, office equipment, computers, furniture and fixtures and intangible assets were carried in the balance sheet prepared in accordance with Previous GAAP on the basis of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Group has elected to regard those values of assets as deemed cost at the transition date.

II Leases

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

III Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under the Ind AS that occurred before 1 April 2015. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of acquisition.
Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind AS balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Group has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary at 1 April 2015.

IV Long Term Foreign Currency Monetary Items

As permitted by Ind AS 101, the Group has an option to continue applying its Indian GAAP policy to apply paragraph 46A of AS 11, "Foreign Exchange Differences" for accounting of exchange differences arising on translation of long term foreign currency loans for the period ending immediately before the beginning of the first Ind AS financial reporting period.

Accordingly, the Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items (recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period) pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

B The following mandatory exceptions have been applied:

I Estimates

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

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

II Hedge Accounting

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

ReNew Power Ventures Private Limited
Consolidated Reconciliation of Equity as at 31 March 2016
(Amounts in INR million, unless otherwise stated)

	Note	As per previous GAAP as at 31 March 2016*	Adjustments	Ind AS as at 31 March 2016
Assets				
Non-current assets				
Property, plant and equipment	G,D	61,580	288	61,868
Capital work in progress	G,D	13,255	120	13,375
Goodwill		23	-	23
Intangible assets		42	-	42
Financial assets		-	-	
Loans		27	-	27
Others	K	2,403	(10)	2,393
Deferred tax assets (net)	E	1	745	746
Prepayments		68	-	68
Other non-current assets	D,K	8,955	1,058	10,013
Total non-current assets		86,354	2,201	88,555
Current assets				
Financial assets				
Trade receivables		3,200	-	3,200
Cash and cash equivalent		3,632	-	3,632
Bank balances other than cash and cash equivalent		9,908	-	9,908
Derivative instruments		180	-	180
Loans		4	-	4
Others		939	-	939
Prepayments		54	-	54
Other current assets	D	512	143	655
Total current assets		18,429	143	18,572
Total assets		**104,783**	**2,344**	**107,127**
Equity and liabilities				
Equity				
Equity share capital		2,608	-	2,608
Other equity				
Equity component of compulsory convertible debentures	C,E	111	36	147
Employee stock option reserve	J	-	1,397	1,397
Debenture redemption reserve		370	-	370
Share premium		31,244	-	31,244
Retained earnings		718	(1,460)	(742)
Hedging Reserve	B	(187)	56	(131)
Defined benefit obligation reserve	I	-	(1)	(1)
Equity attributable to equity holders of the parent		34,864	28	34,892
Non-controlling interests		1,685	(20)	1,665
Total equity		36,549	8	36,557
Non-current liabilities				
Financial liabilities				
Long term borrowings	D	50,423	1,481	51,904
Deferred tax liabilities (net)	E	18	149	167
Long term provisions		12	-	12
Other non-current liabilities	F	-	600	600
Total non-current liabilities		50,453	2,230	52,683
Current liabilities				
Financial liabilities				
Short term borrowings		4,881	-	4,881
Trade payables		332	-	332
Derivative instruments		233	-	233
Other current financial liabilities	D	12,187	(14)	12,173
Short term provisions		21	-	21
Other current liabilities	F	127	120	247
Total current liabilities		17,781	106	17,887
Total liabilities		**68,234**	**2,336**	**70,570**
Total equity and liabilities		**104,783**	**2,344**	**107,127**

* The previous GAAP figures have been reclassified to conform to IND AS presentation requirements.

ReNew Power Ventures Private Limited
Consolidated Reconciliation of equity as at 1 April 2015
(Amounts in INR million, unless otherwise stated)

	Notes	As per previous GAAP as at 1 April 2015*	Adjustment	Ind AS at as 1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment		32,927	-	32,927
Capital Work in Progress		7,886	-	7,886
Goodwill		23	-	23
Intangible assets		29	-	29
Intangible assets under development		12	-	12
Financial assets				
Loans		20	-	20
Others	K	626	(10)	616
Deferred tax assets (net)	E	12	449	461
Prepayments		79	-	79
Other non-current assets	D,K	5,828	653	6,481
		47,442	**1,092**	**48,534**
Current assets				
Financial assets				
Trade receivables		734	-	734
Cash and cash equivalent		7,874	-	7,874
Bank balances other than cash and cash equivalent		2,173	-	2,173
Loans		2	-	2
Others		408	-	408
Prepayments		95	-	95
Other Current Assets	D	249	52	301
		11,535	**52**	**11,587**
Total assets		**58,977**	**1,144**	**60,121**
Equity and liabilities				
Equity				
Equity share capital		2,016	-	2,016
Other equity				
Equity component of compulsory convertible debentures	C, E	-	147	147
Employee stock option reserve	J	-	1,175	1,175
Debenture Redemption Reserve		5	-	5
Share premium		19,753	-	19,753
Retained earnings		172	(1,361)	(1,189)
Hedging Reserve	B	(114)	35	(79)
Non-controlling interests	I	57	(32)	25
Total equity		**21,889**	**(36)**	**21,853**
Non-current liabilities				
Financial liabilities				
Long term borrowings	D	27,841	670	28,511
Deferred tax liabilities (net)	E	-	50	50
Long term provisions		7	-	7
Other non-current liabilities	F	-	417	417
		27,848	**1,137**	**28,985**
Current liabilities				
Financial liabilities				
Short term Borrowings		1,943	-	1,943
Trade payables		221	-	221
Derivative instruments		85	-	85
Other current financial liabilities	D	6,851	(16)	6,835
Short term provisions		4	-	4
Other Current Liabilities	F	136	59	195
		9,240	**43**	**9,283**
Total liabilities		**37,088**	**1,180**	**38,268**
Total equity and liabilities		**58,977**	**1,144**	**60,121**

* The previous GAAP figures have been reclassified to conform to IND AS presentation requirements.

ReNew Power Ventures Private Limited
Consolidated Reconciliation of Total Other Comprehensive Income as at 31 March 2016
(Amounts in INR million, unless otherwise stated)

	Note	As per previous GAAP For the year ended 31 March 2016	Adjustments	Ind AS For the year ended 31 March 2016
Income:				
Revenue from operations		6,136	0	6,136
Other income	**K, L**	1,273	1	1,274
Exceptional items		1,171	-	1,171
Total income		**8,580**	**1**	**8,581**
Expenses:				
Employee benefits expense	**I, J**	105	58	163
Other Expenses	**F, K**	647	242	889
Total expenses		**752**	**300**	**1,052**
Earning before interest, tax, depreciation and amortization (EBITDA)		**7,828**	**(299)**	**7,529**
Depreciation and amortization expense (net)	**G**	2,264	(180)	2,084
Finance Costs	**C, D**	4,349	84	4,433
Profit before tax		**1,215**	**(203)**	**1,012**
Tax Expense				
Current tax		224	-	224
Deferred tax	**E**	10	(140)	(130)
Earlier year tax		3	-	3
Profit for the year		**978**	**(63)**	**915**
Other Comprehensive Income				
Items that will be reclassified to profit or loss in subsequent periods				
Net movement on cash flow hedges	**B**	-	(76)	(76)
Income tax effect	**B**	-	21	21
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**-**	**(55)**	**(55)**
Items that will not be reclassified to profit or loss in subsequent periods				
Remeasurement gains/loss on defined benefit plans	**I**	-	(1)	(1)
Income tax effect	**I**	-	0	0
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**-**	**(1)**	**(1)**
Other comprehensive income for the year, net of tax		**-**	**(56)**	**(56)**
Total comprehensive income for the year, net of tax		**978**	**(119)**	**859**

* The previous GAAP figures have been reclassified to conform to IND AS presentation requirements.

A Business Combinations

Using the exemption available as per Ind AS 101, the Group has elected not to apply Ind AS 103 retrospectively to the business combinations that occurred before the date of transition. With the application of the exemption the classifications remains the same as in Indian GAAP financial statements. The carrying amount in accordance with previous GAAP of assets acquired and liabilities assumed in such business combinations shall be their deemed cost prior to the date of transition.

B Derivative Instruments

The Group uses derivaitive instrument to hedge their foreign currency and interest rate risks. Such contracts, which were designated as hedging instruments under Indian GAAP, have been designated as at the date of transition to Ind AS as cash flow hedges. The corresponding adjustment has been recognised as a separate component of equity in the cash flow hedge reserve. Net movement net of tax as at 1 April 2015 and during the year ended 31 March 2016 was recognised in Other Comprehensive Income ("OCI") and subsequently taken to cash flow hedge reserve.

C Compulsory Convertible Debentures

The Group has issued certain Compulsory Convertible Debentures. Under Indian GAAP these were being classified under long term borrowings. Under Ind AS, Compulsory Convertible Debentures are to be separated into liability component and equity component based on the terms of the contract.
Accordingly, debentures have been separated into liability component and equity component based on the terms of the contract. Deferred tax asset created on inception on these instruments has been taken to the equity component. Subsequent to inception all deferred tax has been created/ reversed from Statement of Profit and Loss. Also, the Group has Compulsory Convertible Debentures which have been fully reclassified from Long-term borrowings to equity component as at 1 April 2015 and 31 March 2016. Interest on the liability component is recognised using the Effective Interest Rate (EIR) Method.

D Long-term borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised on straight-line basis and charged to profit or loss for the period. Under Ind AS, transaction costs/fees that are directly related to the origination of the borrowings and are an integral part of the Effective Interest Rate (EIR) are included in the carrying amount of the loan and charged to profit or loss using the EIR method.

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

E Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12, "Income taxes", requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. Additional deferred taxes have been recorded on temporary differences related to compound financial instruments, and loans and borrowings.
In addition, the various transitional adjustments lead to additional temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

F Other expenses

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

G Depreciation and amortization

The group has re-estimated the useful life of property, plant and equipment and it's residual value based on internal technical assessments resulting in reduction of depreciation expenses.

H Other comprehensive income ("OCI")

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

I Employee Benefit expenses

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

J Share Based Payments

The Group issues equity-settled options to certain employees. The Parent has accounted for the employee stock options at intrinsic value under Indian GAAP. Under Ind AS, these are measured at fair value on the date of grant and the resulting expense is amortised over the vesting period, based on the Group’s estimate of the shares that will eventually vest.

K Security Deposit

The Company has paid interest free security deposits for office premises. As per previous GAAP (Indian GAAP), the Company has recognised the security deposit under Other non-current assets. As per Ind AS, (i) the security deposits are to be recognised at fair value, (ii) interest income on such security deposits are to be recognised through effective interest method and (iii) Deferred lease expense are to be amortised over the period of lease on a straight line basis. Accordingly, the Company has recognised the security deposit at present value using the market rate of interest and the difference between the security deposit amount and cash paid (i.e., deferred lease expense) is recognised on a straight-line basis over the period of lease. Interest income is recognised over the period of lease on effective interest method.

L Other income

The Company has paid interest free security deposits for office premises. As per Ind AS, the Company has to recognise interest income on such security deposits through effective interest method. Accordingly, the Company has recognised income on such security deposits through effective interest method. This resulted in increase of other income for the year ended March 31, 2016 by INR 1.

M Statement of Cash Flows

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

(Amounts in INR million, unless otherwise stated)

54. Additional disclosure as required under Schedule III of Companies Act, 2016:

Name of the entity	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	15.66%	8,901	(0.60%)	(3)	(0.42%)	(3)	(2.23%)	(6)
Subsidiaries								
ReNew Wind Energy (Rajasthan) Private Limited	4.79%	2,725	16.40%	83	0.00%	-	29.05%	83
ReNew Wind Energy (Welturi) Private Limited	0.81%	458	4.67%	24	0.00%	-	8.28%	24
ReNew Wind Energy (Devgarh) Private Limited	2.97%	1,688	(3.90%)	(20)	(3.48%)	(28)	(16.56%)	(47)
ReNew Wind Energy (Karnataka) Private Limited	2.86%	1,625	(14.42%)	(73)	0.00%	-	(25.55%)	(73)
ReNew Wind Energy (AP) Private Limited	2.18%	1,240	15.51%	79	0.00%	-	27.48%	79
ReNew Wind Energy (Rajkot) Private Limited	2.30%	1,307	27.98%	142	0.00%	-	49.58%	142
ReNew Wind Energy (Jath) Limited	2.66%	1,514	18.85%	95	0.00%	-	33.40%	95
ReNew Wind Energy Delhi Private Limited	1.24%	707	17.06%	86	0.00%	-	30.22%	86
ReNew Wind Energy (Shivpur) Private Limited	3.80%	2,159	(25.17%)	(127)	0.00%	-	(44.61%)	(127)
ReNew Wind Energy (Jadeswar) Private Limited	0.51%	292	2.62%	13	0.00%	-	4.65%	13
ReNew Wind Energy (Varekarwadi) Private Limited	2.89%	1,643	6.77%	34	0.00%	-	12.00%	34
ReNew Wind Energy (MP) Private Limited	0.44%	250	11.36%	58	0.00%	-	20.13%	58
ReNew Wind Energy (AP 3) Private Limited	2.24%	1,273	0.59%	3	0.00%	-	1.04%	3
ReNew Wind Energy (MP Two) Private Limited	1.98%	1,127	0.71%	4	0.00%	-	1.25%	4
ReNew Wind Energy (Rajasthan One) Private Limited	2.73%	1,553	(9.80%)	(50)	0.00%	-	(17.36%)	(50)
ReNew Wind Energy (Sipla) Private Limited	4.30%	2,447	(1.10%)	(6)	0.00%	-	(1.95%)	(6)
ReNew Wind Energy (Jamb) Private Limited	1.33%	756	(11.20%)	(57)	0.00%	-	(19.85%)	(57)
ReNew Wind Energy (Orissa) Private Limited	0.56%	319	(5.60%)	(28)	0.00%	-	(9.93%)	(28)
ReNew Wind Energy (TN) Private Limited	0.01%	5	(0.11%)	(1)	0.00%	-	(0.20%)	(1)
ReNew Solar Services Private Limited (formerly known as ReNew Wind Energy (Vaspet 4) Private Limited)	0.03%	16	(0.04%)	(0)	0.00%	-	(0.07%)	(0)
ReNew Wind Energy (Rajasthan 2) Private Limited	0.01%	4	(0.10%)	(1)	0.00%	-	(0.18%)	(1)
ReNew Wind Energy (AP 2) Private Limited	0.01%	5	(0.11%)	(1)	0.00%	-	(0.19%)	(1)
ReNew Wind Energy (Budh 3) Private Limited	0.14%	79	(0.30%)	(2)	0.00%	-	(0.54%)	(2)
ReNew Wind Energy (Karnataka Two) Private Limited	0.01%	4	(0.31%)	(2)	0.00%	-	(0.56%)	(2)
ReNew Wind Energy (Vaspet 5) Private Limited	0.01%	3	(0.05%)	(0)	0.00%	-	(0.08%)	(0)
ReNew Wind Energy (Jath Three) Private Limited	0.01%	3	(0.04%)	(0)	0.00%	-	(0.08%)	(0)
ReNew Wind Energy (TN 2) Private Limited	0.53%	300	(10.30%)	(52)	(0.02%)	(0)	(18.30%)	(52)
ReNew Wind Energy (Karnataka 3) Private Limited	1.89%	1,077	(1.98%)	(10)	(26.00%)	(206)	(75.57%)	(216)
ReNew Wind Energy (AP 4) Private Limited	0.00%	(0)	(0.23%)	(1)	0.00%	-	(0.41%)	(1)
ReNew Wind Energy (MP One) Private Limited	0.11%	62	(0.08%)	(0)	0.00%	-	(0.14%)	(0)
ReNew Wind Energy (Karnataka 4) Private Limited	0.66%	375	(0.58%)	(3)	0.00%	-	(1.02%)	(3)
ReNew Wind Energy (Karnataka Five) Private Limited	0.08%	46	(0.03%)	(0)	0.00%	-	(0.06%)	(0)
ReNew Wind Energy (Maharashtra) Private Limited	0.33%	186	0.24%	1	(7.59%)	(60)	(20.61%)	(59)
ReNew Wind Energy (Rajasthan 3) Private Limited	4.56%	2,594	12.72%	64	(10.56%)	(84)	(6.74%)	(19)
Narmada Wind Energy Private Limited	1.97%	1,117	7.30%	37	0.00%	-	12.93%	37
Abaha Wind Energy Developers Private Limited	0.03%	18	(0.40%)	(2)	0.00%	-	(0.71%)	(2)
ReNew Wind Energy (AP Five) Private Limited	0.04%	20	(0.03%)	(0)	0.00%	-	(0.06%)	(0)
ReNew Wind Energy (MP Three) Private Limited	0.17%	98	0.63%	3	(6.63%)	(52)	(17.26%)	(49)
ReNew Wind Energy (Rajasthan Four) Private Limited	0.27%	152	0.32%	2	(7.62%)	(60)	(20.55%)	(59)
ReNew Wind Energy (MP Four) Private Limited	0.50%	284	(0.13%)	(1)	0.00%	-	(0.23%)	(1)
ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited)	0.79%	449	0.13%	1	0.00%	-	0.22%	1
ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)	2.01%	1,143	18.09%	92	(1.49%)	(12)	27.94%	80
Tarun Kiran Bhoomi Private Limited	0.67%	378	0.12%	1	0.00%	-	0.21%	1
Bhumi Prakash Private Limited	0.17%	95	(0.23%)	(1)	(5.56%)	(44)	(15.80%)	(45)
ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited)	3.84%	2,184	15.04%	76	(1.50%)	(12)	22.49%	64
ReNew Solar Power Private Limited	-4.99%	(2,838)	(29.24%)	(148)	(1.25%)	(10)	(55.29%)	(158)
ReNew Solar Energy Private Limited	-0.26%	(148)	(24.72%)	(125)	(8.25%)	(65)	(66.66%)	(191)
ReNew Solar Energy (Rajasthan) Private Limited	0.85%	481	(2.58%)	(13)	0.00%	-	(4.57%)	(13)
ReNew Solar Energy (TN) Private Limited	0.64%	362	16.80%	85	3.61%	29	39.77%	114
ReNew Solar Energy (Karnataka) Private Limited	0.64%	362	(6.93%)	(35)	2.59%	21	(5.10%)	(15)
ReNew Akshay Urja Private Limited	3.35%	1,906	27.11%	137	(10.43%)	(83)	19.11%	55
ReNew Solar Energy (Telangana) Private Limited	4.29%	2,437	2.59%	13	0.00%	-	4.59%	13
ReNew Saur Urja Private Limited	2.14%	1,217	(29.00%)	(148)	0.98%	8	(48.66%)	(139)
ReNew Clean Energy Private Limited	0.43%	243	0.04%	0	(14.16%)	(112)	(39.19%)	(112)
Helios Infratech Private Limited	3.98%	2,262	16.27%	82	0.00%	-	28.84%	82
Shruti Power Projects Private Limited	0.50%	285	(2.85%)	(14)	0.00%	-	(5.05%)	(14)
ReNew Solar Energy (Jharkhand One) Private Limited	0.61%	348	(0.29%)	(1)	0.00%	-	(0.51%)	(1)
ReNew Power Services Private Limited	0.00%	(1)	(0.12%)	(1)	0.00%	-	(0.22%)	(1)
ReNew Solar Energy (Jharkhand Three) Private Limited	0.59%	335	(0.40%)	(2)	0.00%	-	(0.71%)	(2)
ReNew Solar Energy (Jharkhand Four) Private Limited	0.59%	335	(0.38%)	(2)	0.00%	-	(0.67%)	(2)
ReNew Solar Energy (Jharkhand Five) Private Limited	0.57%	321	(0.31%)	(2)	0.00%	-	(0.55%)	(2)

ReNew Power Ventures Private Limited
Notes to Consolidated Financial Statements as at 31 March 2017
(Amounts in INR million, unless otherwise stated)

Name of the entity	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 Solar Energy (Karnataka Two) Private Limited	1.99%	1,132	4.86%	25	0.00%	-	8.61%	25
Symphony Vyapaar Private Limited	0.52%	296	1.13%	6	0.00%	-	1.99%	6
Lexicon Vanijya Private Limited	0.44%	249	1.12%	6	0.00%	-	1.99%	6
Star Solar Power Private Limited	0.24%	137	1.76%	9	(0.11%)	(1)	2.81%	8
Sungold Energy Private Limited	0.22%	128	0.97%	5	(0.00%)	(0)	1.70%	5
ReNew Distributed Solar Services Private Limited	0.02%	9	0.11%	1	0.00%	-	0.20%	1
ReNew Distributed Solar Energy Private Limited	0.00%	(0)	(0.08%)	(0)	0.00%	-	(0.15%)	(0)
ReNew Distributed Solar Power Private Limited	0.00%	(0)	(0.11%)	(1)	0.00%	-	(0.20%)	(1)
ReNew Surya Mitra Private Limited	0.00%	0	(0.01%)	(0)	0.00%	-	(0.01%)	(0)
ReNew Surya Prakash Private Limited	0.10%	57	0.36%	2	0.00%	-	0.64%	2
ReNew Saur Vidyut Private Limited	0.09%	54	(0.06%)	(0)	0.00%	-	(0.10%)	(0)
SunSource Energy Services Private Limited	0.07%	39	(0.15%)	(1)	0.31%	2	0.61%	2
ReNew Solar Sun Flame Private Limited	0.00%	0	(0.01%)	(0)	0.00%	-	(0.01%)	(0)
ReNew Solar Daylight Energy Private Limited	0.00%	0	(0.01%)	(0)	0.00%	-	(0.01%)	(0)
Molagavalli ReNewable Private Limited	1.81%	1,030	(0.00%)	(0)	4.71%	37	13.04%	37
Total Subsidiaries	**94.50%**	**53,718**	**66.11%**	**334**	**(92.86%)**	**(736)**	**(140.27%)**	**(402)**
Minority Interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	0.09%	50	(4.96%)	(25)	0.00%	-	(8.79%)	(25)
ReNew Wind Energy (AP) Private Limited	0.08%	43	6.81%	34	0.00%	-	12.07%	34
ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)	0.67%	381	17.10%	87	(1.43%)	(11)	26.34%	75
ReNew Solar Energy (TN) Private Limited	0.00%	1	0.02%	0	0.00%	0	0.04%	0
ReNew Solar Energy (Karnataka) Private Limited	0.80%	455	(7.49%)	(38)	2.49%	20	(6.36%)	(18)
ReNew Akshay Urja Private Limited	2.04%	1,157	19.55%	99	(8.20%)	(65)	11.92%	34
ReNew Solar Energy (Telangana) Private Limited	1.83%	1,039	2.85%	14	0.00%	-	5.05%	14
Total Minority	**5.50%**	**3,126**	**33.89%**	**172**	**(7.14%)**	**(57)**	**40.27%**	**115**
Total	**100%**	**56,844**	**100%**	**505**	**100%**	**(792)**	**100%**	**(287)**

As per our report of even date

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

For and on behalf of the ReNew Power Ventures Private Limited

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 26 July 2017

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 26 July 2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 26 July 2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 26 July 2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 26 July 2017

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

Limited Review Report

Review Report to
The Board of Directors
ReNew Power Limited ("RPL")
(formerly known as ReNew Power Ventures Pvt. Ltd. and Renew Power Pvt. Ltd.)

Introduction

We have reviewed the accompanying Unaudited Special Purpose Interim Combined Financial Statements of Restricted Group (consisting of certain specific subsidiaries of RPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group"), which comprise the combined Balance Sheet as at 31 December 2018 and the related Statement of Profit and Loss including other comprehensive income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the nine months period then ended and the related notes, comprising a summary of the significant accounting policies and other explanatory information (the "combined financial statements"). Management of RPL is responsible for the preparation and presentation of this combined financial statements in accordance with the basis of preparation of Unaudited Special Purpose Interim Combined Financial Statements set out in in Note 3. Our responsibility is to express a conclusion on these Unaudited Special Purpose Interim Combined Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Combined Financial Statements are not prepared, in all material respects, in accordance with the basis for preparation as set out in Note 3 to the Unaudited Special Purpose Interim Combined Financial Statements.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 and 3 to the Unaudited Special Purpose Interim Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the period ended 31 December 2018, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. The Unaudited Special Purpose Interim Combined Financial Statements have been prepared solely in connection with the proposed issuance of USD denominated Notes by each member of the Restricted Group for which the RPL is a guarantor and for inclusion in the Offering Memorandum. As a result, the Unaudited Special Purpose Interim Combined Financial Statements may not be suitable for another purpose.

S.R. BATLIBOI & CO. LLP GURUGRAM

Other matter

The accompanying Unaudited Special Purpose Interim Combined Financial Statements include total assets of Rs. 15,325 million and net assets of Rs. 610 million as at 31 December 2018, and total revenues of Rs. 1,556 million and net cash inflows of Rs 579 million for the nine months period ended on that date, in respect of 4 entities forming part of the Restricted Group, which have been audited by other auditors, which financial statements, other financial information and auditors report have been furnished to us by the management. Our opinion on the Unaudited Special Purpose Interim Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the reports of such other auditors.

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

S.R. BATLIBOI & CO. LLP
GURUGRAM

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Balance Sheet as at 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 December 2018	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	4	38,428	37,353
Capital work in progress	4	234	441
Intangible assets	5	44	-
Investment Property	6	1	1
Intangible assets under development	5	0	-
Financial assets			
Loans	7	4	-
Others	7	150	30
Deferred tax assets (net)	8	63	167
Prepayments	9	117	14
Other non-current assets	10	329	452
Total non-current assets		**39,370**	**38,458**
Current assets			
Inventories	11	4	-
Financial assets			
Investments	7	-	354
Derivative instruments	7	461	1
Loans	7	1,466	1,218
Trade receivables	12	2,473	920
Cash and cash equivalent	13	1,344	459
Bank balances other than cash and cash equivalent	13	1,715	2,313
Others	7	281	551
Prepayments	9	59	23
Other current assets	10	183	67
Total current assets		**7,986**	**5,906**
Total assets		**47,356**	**44,364**
Equity and liabilities			
Equity			
Equity share capital	14A	269	269
Other equity			
Equity component of compulsorily convertible debentures	14B	401	401
Equity component of preference shares	14C	517	517
Securities premium	15B	5,794	5,792
Hedging reserve	15C	(56)	(189)
Retained earnings	15D	492	214
Total equity		**7,417**	**7,004**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	16	16,904	15,822
Deferred tax liabilities (net)	8	182	12
Other non-current liabilities	17	218	196
Total non-current liabilities		**17,304**	**16,030**
Current liabilities			
Financial liabilities			
Short-term borrowings	18	11,830	8,883
Trade payables			
Outstanding dues to micro enterprises and small enterprises	19	-	-
Others	19	902	524
Derivative instruments	20	54	713
Other current financial liabilities	21	9,808	11,111
Other current liabilities	22	34	87
Short-term provisions	23	7	12
Total current liabilities		**22,635**	**21,330**
Total liabilities		**39,939**	**37,360**
Total equity and liabilities		**47,356**	**44,364**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Restricted Group

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

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Statement of Profit and Loss for the nine months period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Income:			
Revenue from operations	24	4,685	2,760
Other income	25	500	257
Total income		**5,185**	**3,017**
Expenses:			
Other expenses	26	795	338
Total expenses		**795**	**338**
Earning before interest, tax, depreciation and amortization (EBITDA)		**4,390**	**2,679**
Depreciation & amortisation expense	27	1,391	774
Finance costs	28	2,389	1,371
Profit before tax		**610**	**534**
Tax expense			
Current tax	8	105	100
Deferred tax	8	227	70
Tax for earlier years		(0)	6
Profit/(Loss) for the period	**(a)**	**278**	**358**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges		180	84
Income tax effect		(47)	(29)
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	**(b)**	133	55
Total comprehensive (loss)/income for the period	**(a) + (b)**	**411**	**413**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements
As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)

Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Statement of Cash Flows for the nine months period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Cash flow from operating activities		
Profit before tax	610	534
Adjustments for:		
Depreciation & amortisation expense	1,391	774
Operation and maintenance	22	46
Interest income	(159)	(133)
Interest expense	2,376	1,356
Fair value change of mutual fund (including realised gain)	(11)	(1)
Operating profit before working capital changes	**4,229**	**2,576**
Movement in working capital		
(Increase)/decrease in trade receivables	(1,554)	(656)
(Increase)/decrease in inventories	(4)	-
(Increase)/decrease in financial assets	293	(26)
(Increase)/decrease in prepayments	(139)	2
(Increase)/decrease in other assets	(106)	(34)
Increase/(decrease) in other liabilities	(53)	(28)
Increase/(decrease) in trade payables	377	64
Cash generated from operations	**3,043**	**1,898**
Direct taxes paid (net of refunds)	(138)	(144)
Net cash generated from operating activities	**2,905**	**1,754**
Cash flow from investing activities		
Purchase of Property, plant and equipment including capital work in progress, capital advances and capital creditors	(5,080)	(6,973)
Net (Investments)/redemption of bank deposits having maturity more than 3 months	479	(647)
Loan given to related parties	(253)	(930)
Loan repaid by related parties	5	50
Interest received	133	109
Net investment in mutual funds	366	1
Net cash used in investing activities	**(4,350)**	**(8,390)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	2	410
Proceeds from issue of preference shares (including premium)	-	410
Proceeds from long-term borrowings	5,728	2,900
Repayment of long-term borrowings	(4,248)	(255)
Proceeds from short-term borrowings	7,728	7,385
Repayment of short-term borrowings	(4,820)	(4,520)
Interest paid	(2,060)	(1,108)
Net cash generated from financing activities	**2,330**	**5,222**
Net (decrease) / increase in cash and cash equivalents	**885**	**(1,414)**
Cash and cash equivalents at the beginning of the period	**459**	**2,422**
Cash and cash equivalents at the end of the period	**1,344**	**1,008**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	1,334	216
- On deposit accounts with original maturity of less	10	792
Total cash and cash equivalents (note 13)	**1,344**	**1,008**

Changes in liabilities arising from financial activities:

Particulars	**Opening balance as at 1 April 2018**	**Cash flows (net)**	**Other changes***	**Closing balance as at 31 December 2018**
Long-term borrowings (including current maturities)	20,448	1,480	883	22,811
Short -term borrowings	8,883	2,908	39	11,830
Total liabilities from financing activities	**29,331**	**4,388**	**922**	**34,641**

Particulars	**Opening balance as at 1 April 2017**	**Cash flows (net)**	**Other changes***	**Closing balance as at 31 December 2017**
Long-term borrowings (including current maturities)	15,302	2,644	(268)	17,678
Short -term borrowings	3,949	2,865	-	6,814
Total liabilities from financing activities	**19,251**	**5,509**	**(268)**	**24,492**

* other changes includes reinstatement of foreign currency borrowing and ancillary borrowing cost.

Summary of significant accounting policies Note : 3

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

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Statement of changes in equity for the nine months period ended 31 December 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group							Total equity
					Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Equity component of compulsorily convertible debentures	Share application money pending allotment	Securities premium	Retained earnings	Hedging Reserve	
	(refer note 14A)	(refer note 14C)	(refer note 14B)	(refer note 15A)	(refer note 15B)	(refer note 15D)	(refer note 15C)	
At 1 April 2017	**218**	**476**	**401**	**-**	**4,965**	**(310)**	**(394)**	**5,356**
Profit for the year	-	-	-	-	-	524	-	524
Other comprehensive income (net of taxes)	-		-	-	-	-	205	205
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**524**	**205**	**729**
Equity shares issued during the year	51	-	-	(410)	459	-	-	100
Preference shares issued during the year	-	41	-	(510)	369	-	-	(100)
Share application money received	-	-	-	920	-	-		920
Amount utilized for issue of preference shares	-	-	-	-	(1)	-	-	(1)
At 31 March 2018	**269**	**517**	**401**	**-**	**5,792**	**214**	**(189)**	**7,004**
Profit for the period	-	-	-	-	-	278	-	278
Other comprehensive income (net of taxes)	-	-	-	-	-	-	133	133
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**278**	**133**	**411**
Equity shares issued during the period	0	-	-	-	2	-	-	2
Preference shares issued during the period	-	-	-	(2)	-	-	-	(2)
Share application money received	-		-	2	-	-	-	2
At 31 December 2018	**269**	**517**	**401**	**-**	**5,794**	**492**	**(56)**	**7,417**

The accompanying notes are an integral part of the financial statements
As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

(Amounts in INR millions, unless otherwise stated)

1 Corporate information

ReNew Power Limited is a public limited company (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') (referred to as the "Parent" or "RPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPL) which are collectively referred to as the 'Restricted Group' (as more clearly explained in the note below) intend to issue US Dollar denominated notes and their listing on Singapore Exchange Securities Trading Limited (SGX-ST).

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited #	ReNew Power Limited #
Kanak Renewables Limited #	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

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

The Unaudited Special Purpose Interim Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on 11 February 2019.

2 Purpose of Unaudited Special Purpose Interim Combined Financial Statements

The Interim Combined Financial Statements are special purpose financial statements which have been prepared for purpose of the proposed issue of USD denominated notes by each member of the Restricted Group. These Unaudited Special Purpose Interim Combined Financial Statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Interim Combined Financial Statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The Unaudited Special Purpose Interim Consolidated Financial Statements for the nine months period ended 31 December 2018 being complete set of financial statements have been prepared in accordance with recognition and measurement principles of Ind AS 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

Management of the Parent company has prepared the Unaudited Special Purpose Interim Combined Financial Statements which comprise the Interim Combined Balance Sheet as at 31 December 2018, the Interim Combined Statement of Profit and Loss including other comprehensive income, Interim Combined Statement of Cash Flows and Interim Combined Statement of Changes in Equity for the period ended 31 December 2018, a summary of the significant accounting policies and other explanatory information.

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

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

All intercompany transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties of entities forming part of the Restricted Group but not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

The Unaudited Special Purpose Interim Combined Financial Statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Unaudited Special Purpose Interim Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

3.2 Basis of Combination

The accounting policies and estimates adopted in the preparation of the Unaudited Special Purpose Interim Financial Statements are consistent with those used in the Special Purpose Combined Financial Statements for the year ended 31 March 2018 except for the changes in accounting policy and disclosures as details in note 3.2(w).

3.3 Summary of Significant Accounting Policies

a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

b) Fair value measurement

The entities forming part of the Restricted Group measure financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the entities forming part of the Restricted Group.

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

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

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

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

For the purpose of fair value disclosures, the entities forming part of the Restricted Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 34 and 35).

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

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

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

· Disclosures for significant estimates and assumptions (Refer Note 41)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 35)
· Financial instruments (including those carried at amortised cost) (Refer Note 34 & 35)

c) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the 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.

Sale of Power

Income from supply of power is recognized on the supply of units generated from the plant to the grid, as per the terms of the Power Purchase Agreements ("PPA") entered into with the customers.

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

(i) 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.

Rebates

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

(ii) Consideration payable to customers

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

Income from Liquidated damages and interest on advances

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

Dividend

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

Interest income

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

Income from government grants

Refer note (i) for accounting policy.

d) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the entities forming part of Restricted Group perform 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.

e) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the entities forming part of Restricted Group have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the entities forming part of Restricted Group transfer 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 entities forming part of Restricted Group perform under the contract.

f) Trade receivables

A receivable represents the right of entities forming part of Restricted Group 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 (q) Financial instruments – initial recognition and subsequent measurement.

g) Foreign currencies

The Restricted Group Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the companies operate.

Transactions and balances

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

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

h) Income taxes

Current income tax

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

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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

Minimum Alternate Tax

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

i) Government grants

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

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

The entities forming part of the Restricted Group presents grants related to an expense item as other income in the Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission renewable certificates have been recognised as other income.

Generation based Incentive

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

j) Property, plant and equipment

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

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

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

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

k) Depreciation/amortization of PPE
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Years
Plant and equipment (wind and solar power projects)*	18-25
Furniture & fixture	10
Office equipment	5
Computers	3
Computer servers	6

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

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

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

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

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

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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

o) Impairment of non-financial assets

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

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

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

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

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

p) Provisions

Provisions are recognised when the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

q) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

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

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of the Restricted Group recognize interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

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

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

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

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

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

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

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

The application of simplified approach does not require the entities forming part of the Restricted 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 entities forming part of the Restricted Group determine that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss (P&L).

Financial liabilities

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

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

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

Loans and borrowings

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

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

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

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Convertible Preference Shares
Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Compulsorily Convertible Debentures (CCDs)

The entities forming part of the Restricted Group determine classification of compound financial instruments at initial recognition.

Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

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

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

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.

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

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

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

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

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

The entities forming part of the Restricted Group do not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The entities forming part of the Restricted Group make disclosures in the interim financial statement in cases of significant events.

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

v) Investment property
Investment properties comprise significant portions of freehold land that are held for capital appreciation. Investment properties are initially recognised at cost.

w) Changes in accounting policy and disclosures- New and amended standards

The entities forming part of Restricted group applied Ind AS 115 for the first time wef 1APril 2018. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.
Several other amendments and interpretations apply for the first time in December 2018, but do not have an impact on the interim combined financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers
Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The entities forming part of Restricted Group adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The entities forming part of Restricted Group elected to apply the standard to all contracts that are not completed as at 1 April 2018.

(Amounts in INR millions, unless otherwise stated)

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11, Ind AS 18 and related Interpretations.

The effect of adopting Ind AS 115 as at 1 April 2018 was, as follows:

Special Purpose Combined Balance Sheet as at 31 December 2018

Particulars	**Notes**	**Reference**	**Ind AS 115 impact as at April 1, 2018**
Assets			
Non-current assets			
Property, plant and equipment	4	(a)	(118)
Other non-current assets	10	(a)	113
Current assets			
Other current assets	10	(a)	5
Equity			
Other equity			
Retained earnings	15D	(a)	-

Set out below, are the amounts by which each interim financial statement line item is affected as at and for the period ended 31 December 2018 as a result of the adoption of Ind AS 115. The adoption of Ind AS 115 did not have a material impact on OCI or the Company's operating, investing and financing cash flows. The first column shows amounts prepared under Ind AS 115 and the second column shows what the amounts would have been had Ind AS 115 not been adopted:

Statement of profit or loss
For the period ended 31 December 2018

Particulars	**Reference**	**Ind AS 115**	**Ind AS 18**	**Increase/ (decrease)**
Revenue from contracts with customers	(a)	4,685	4,689	(4)
Depreciation and amortization expense	(a)	1,391	1,395	(4)

Reconciliation of equity as at 31 December 2018

Particulars	**Reference**	**Ind AS 115**	**Ind AS 18**	**Increase/ (decrease)**
Non-current assets				
Property, plant and equipment	(a)	38,428	38,542	(114)
Prepayments	(a)	117	8	109
Current assets				
Prepayments	(a)	59	54	5
Other current financial assets				
Unbilled revenue	(a)	-	432	(432)
Trade receivables				
Trade receivables	(a)	2,473	2,041	432

a) Ind AS 115 impact - Consideration payable to customer

As per Purchase Power Agreement there was an amount which was required to be paid to discom before the project become operational, which was capitalized as part of project cost before the application of IND AS 115.
Amount paid to customer is in preview of guidance given under Consideration payable to customer under IND AS 115, accordingly any amount paid to customer is to be reduced from the transaction price and, therefore, of revenue. As the Power Purchase agreement is for 25 years the said amount paid to the customer is to be regarded as deferred expenditure and subsequently needs to be expensed off over the period of tenure.

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land #	Plant and equipment	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost							
At 1 April 2017	1,247	13,594	-	-	0	14,841	8,977
Additions during the year @	775	23,583	0	3	1	24,362	15,047
Capitalised during the year	-	-	-	-	-	-	(23,583)
At 31 March 2018	**2,022**	**37,177**	**0**	**3**	**1**	**39,203**	**441**
Additions during the year @	5	2,592	1	1	0	2,599	2,389
Adjustment*	(6)	(8)	-	-	-	(14)	(3)
Adjustment#	-	(120)	-	-	-	(120)	
Disposals	-	(2)	-	-	-	(2)	-
Capitalised during the period	-	-		-	-	-	(2,592)
At 31 December 2018	**2,021**	**39,639**	**1**	**4**	**1**	**41,666**	**234**
Depreciation							
At 1 April 2017	-	738	-	-	0	738	-
Charge for the year (refer note 27)	-	1,112	0	0	0	1,112	-
At 31 March 2018	**-**	**1,850**	**0**	**0**	**0**	**1,850**	**-**
Charge for the period (refer note 27)	-	1,389	0	1	0	1,390	-
Adjustment#	-	(2)	-	-	-	(2)	
At 31 December 2018	**-**	**3,237**	**0**	**1**	**0**	**3,238**	**-**
Net book value							
At 31 March 2018	**2,022**	**35,327**	**0**	**3**	**1**	**37,353**	**441**
At 31 December 2018	**2,021**	**36,402**	**1**	**3**	**1**	**38,428**	**234**

The title of land amounting to INR 172 as of 31st December 2018 (31 March 2018: INR:188) is not yet in the name of companies forming part of the Restricted Group and INR 399 as of 31st December 2018 (31 March 2018: INR: 681) is held by way General Power of Attorney (GPA). The Companies forming part of Restricted Group are in process of registration of title deeds of these freehold lands.

@ Capitalised Borrowing Costs
The amount of borrowing cost capitalised in the plant & equipment assets during the year ended 31 December 2018 is INR 10 (31 March 2018: INR 242). The rate used to determine the amount of borrowing cost eligible for capitalisation was the effective interest rate of the specific borrowing.

*** Adjustment pertains to following**
Adjustment during the period pertains to actualisation of certain provisional capitalization of supply of goods and services.

*** Adjustment to Capital Work in Progress pertains to following**
Certain cost capitalised on provisional basis upto last year has been reversed. There is no impact on the statement of Profit and Loss on account of such settlement.

 # Adjustment pertains to following
Adjustment of INR 120 in gross block and INR 2 in accumulated depreciation pertains of first time adoption of Ind AS 115 - Revenue from customer contracts using modified retrospective approach.

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 38,663 (31 March 2018: INR 37,794) are subject to a pari passu first charge to respective lenders for term, loans from banks, financial institutions and buyers credit as disclosed in Note 16.

(Amounts in INR millions, unless otherwise stated)

5 Intangible assets	**Customer Contracts**	**Total Intangibles**	**Intangible asset under development**
Cost			
At 1 April 2017	-	-	-
Additions	-	-	-
Capitalised during the year	-	-	-
At 31 March 2018	-	-	-
Additions during the period	45	45	0
Capitalised during the period	-	-	-
At 31 December 2018	**45**	**45**	**0**
Amortisation			
At 1 April 2017	-	-	-
Amortisation for the year (refer note 27)	-	-	-
At 31 March 2018	-	-	-
Amortisation for the period (refer note 27)	1	1	-
At 31 December 2018	**1**	**1**	**-**
Net book value			
At 31 March 2018	-	-	-
At 31 December 2018	**44**	**44**	**0**

(Amounts in INR millions, unless otherwise stated)

6 Investment Property

	Amount
Cost	
At 1 April 2017	**1**
Additions during the year	-
At 31 March 2018	**1**
Additions during the period	-
At 31 December 2018	**1**
Net book value	
At 1 April 2017	**1**
At 31 March 2018	**1**
At 31 December 2018	**1**

Reconciliation of fair value

	Amount
Opening balance as at 1 April 2017	**1**
Fair Value Difference	-
Purchases	-
At 31 March 2018	**1**
Fair Value Difference	-
Purchases	-
At 31 December 2018	**1**

(Amounts in INR millions, unless otherwise stated)

7 Financial assets	**As at 31 December 2018**	**As at 31 March 2018**
Non-current (unsecured, considered good unless stated otherwise)		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Security deposits	4	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**4**	**-**
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	461	1
Total	**461**	**1**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 13)	150	30
Total	**150**	**30**
Current (unsecured, considered good unless stated otherwise)		
Investments at fair value through profit or loss		
Quoted Mutual Funds		
ICICI Prudential - Direct Growth - Nil (31 March 2018 : 345,541 units)	-	88
Aditya Birla Sunlife - Cash Plus - Direct Growth- Nil (31 March 2018 : 582,750 units)	-	163
HDFC Liquid Fund - Direct Plan - Nil (31 March 2018 : 30,062 units)	-	103
Total	**-**	**354**
Aggregate book value of quoted investments	-	354
Aggregate market value of quoted investments	-	354
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Loan to fellow subsidiary - redeemable non cumulative preference shares (refer note 30)	1,200	1,200
Security deposits	4	3
Loans to related parties (refer note 30)	262	15
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**1,466**	**1,218**
Others		
Government grants*		
- Generation based incentive receivable	48	44
Recoverable from related parties (refer note 30)	152	12
Unbilled revenue	-	441
Interest accrued on fixed deposits	56	33
Interest accrued on loans to related parties (refer note 30)	25	21
Total	**281**	**551**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the entities forming part of the Restricted Group. The carrying value may be affected by changes in the credit risk of the counterparties.
Investments at fair value through profit & loss reflects investment in quoted mutual funds. Refer note 34 for determination of fair value.

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

(Amounts in INR millions, unless otherwise stated)

8 Deferred tax

Deferred tax assets (net)

Deferred tax relates to the following:		**As at 31 December 2018**	**As at 31 March 2018**
Deferred tax related to items recognised in equity:			
Deferred tax assets (gross)			
Compound Financial Instruments		98	-
	(a)	**98**	**-**
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market on derivative instrument as on transition date		39	35
	(b)	**39**	**35**
Deferred tax liabilities (gross)			
Gain on mark to market on derivative instrument as on transition date		22	14
	(c)	**22**	**14**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		3,103	2,914
Compound Financial Instruments		21	22
Fair value gain on financial instruments at fair value through profit or loss		0	1
	(d)	3,124	2,937
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		-	13
Losses available for offsetting against future taxable income		2,946	2,902
Operation and maintenance		6	-
Unused tax credits (MAT)		112	70
Compound Financial Instruments		8	98
Others		-	0
	(e)	3,072	3,083
Deferred tax assets (net)	**(f) = (a) + (b) + (e) - (c) - (d)**	**63**	**167**

Deferred tax liabilities (net)

Deferred tax related to items recognised in OCI:		**As at 31 December 2018**	**As at 31 March 2018**
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		13	47
	(g)	**13**	**47**
Deferred tax liabilities (gross)			
Gain on mark to market of derivative instruments		11	2
	(h)	**11**	**2**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		1,330	342
	(i)	**1,330**	**342**
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		0	0
Unused tax credit (MAT)		153	63
Losses available for offsetting against future taxable income		993	222
	(j)	**1,146**	**285**
Deferred tax liabilities (net)	**(m) = (h) + (i) - (g) - (j)**	**182**	**12**

(Amounts in INR millions, unless otherwise stated)

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

	For the nine months period ended 31 December 2018	For the nine months period ended 31 December 2017
Accounting profit before income tax	**610**	**534**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax(18.50%) / Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	134	96
Deferred tax expense reported in the statement of profit and loss*	227	70
Non-deductible expenses for tax purposes:		
Interest on compound financial instrument	8	4
Other non deductible expenses	-	0
Deductible expenses for tax purposes:		
Decrease in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	(4)	-
Brought forward losses / unabsorbed depreciation	(33)	-
At the effective income tax rate	**332**	**170**
Current tax expense reported in the statement of profit and loss	105	100
Deferred tax expense reported in the statement of profit and loss	227	70
	332	**170**
*** Where deferred tax expense relates to the following :**		
Compound Financial Instruments	(9)	8
Losses available for offsetting against future taxable Income	(1,523)	(1,186)
Preliminary expenses not written off under tax laws	0	-
Difference in WDV as per books of accounts and tax laws	1,884	1,274
Operation and maintenance	8	(5)
Unused tax credit (MAT)	(133)	(21)
	227	**70**

Reconciliation of deferred tax assets (net):

	31 December 2018	31 March 2018
Opening balance of DTA/DTL (net)	**155**	**186**
Deferred tax income/(expense) during the period recognised in profit or loss	(227)	79
Deferred tax income/(expense) during the period recognised in OCI	(47)	(110)
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	-
Closing balance of DTA/DTL (net)	**(119)**	**155**

Current tax expense and Deferred tax expense is recognized for the nine month period ended 31 December 2018 on the basis of the best estimate of the annual effective tax rate financial year ended 31 March 2019. Hence, disclosure for the amount (and expiry date, if any) of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset are recognised in the balance sheet shall be reported along with annual financial statements when the actual income tax computation is available.

9 **Prepayments**	As at 31 December 2018	As at 31 March 2018
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	117	14
Total	**117**	**14**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	59	23
	59	**23**

(Amounts in INR millions, unless otherwise stated)

10 Other assets	**As at 31 December 2018**	**As at 31 March 2018**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	146	289
Advances recoverable	34	34
Advance income tax (net of income tax provisions)	137	107
Security deposits	0	5
Maharashtra VAT recoverable	12	17
Total	**329**	**452**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	179	67
Balances with Government authorities	4	0
Total	**183**	**67**

11 Inventories	**As at 31 December 2018**	**As at 31 March 2018**
Consumables & Spares	4	-
Total	**4**	**-**

12 Trade receivables	**As at 31 December 2018**	**As at 31 March 2018**
Unsecured, considered good	2,473	920
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	2,473	920
Less: Provision for doubtful debts	-	-
Total	**2,473**	**920**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days.

13 Cash and cash equivalents	**As at 31 December 2018**	**As at 31 March 2018**
Cash and cash equivalents		
Balance with bank		
- On current accounts	1,334	399
- Deposits with original maturity of less than 3 months #	10	60
	1,344	**459**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	1,715	2,313
- Remaining maturity for more than twelve months #	150	30
	1,865	**2,343**
Less: amount disclosed under financial assets (others) (Note 7)	(150)	(30)
Total	**1,715**	**2,313**

Fixed deposits of INR 702 (31 March 2018: INR 773) 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 to 1827 days and carry an interest rate of 4.25% to 8.51% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

14 Share capital

The special purpose combined financial statement do not represent a legal entity structure. The share capital of Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2017	25,178,890	252
Increase during the year	4,120,000	41
At 31 March 2018	29,298,890	293
At 31 December 2018	**29,298,890**	**293**
0.0001% redeemable non cumulative preference shares of INR 10 each		
At 1 April 2017	2,000,000	20
At 31 March 2018	2,000,000	20
At 31 December 2018	**2,000,000**	**20**
0.0001% compulsory convertible preference shares of INR 10 each		
At 1 April 2017	36,061,950	360
Increase during the year	4,200,000	42
At 31 March 2018	40,261,950	402
At 31 December 2018	**40,261,950**	**402**

Issued share capital	**Number of shares**	**Amount**
14A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2017	21,814,975	218
Shares issued during the year	5,101,996	51
At 31 March 2018	26,916,971	269
Shares issued during the period	17,964	0
At 31 December 2018	**26,934,935**	**269**

Terms/rights attached to equity shares

The entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the entities forming part of Restricted Group will pay dividends in Indian rupees.
In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective entity, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective entity.

14B Equity component of compulsorily convertible debentures (CCD)

8% Compulsorily convertible debentures (CCDs) of INR 105 each	**Number of debentures**	**Total proceeds**	**Liability component (refer note 16)**	**Equity component***
At 1 April 2017	5,903,630	620	337	401
Accretion during the year	-	-	39	-
At 31 March 2018	5,903,630	620	376	401
Accretion during the period	-	-	32	-
At 31 December 2018	**5,903,630**	**620**	**408**	**401**

Terms of conversion of CCDs
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the JVA at conversion ratio of 1 equity shares : 1 preference shares.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2018 is INR 620 (31 March 2017: INR 620).

(*Adjusted for deferred tax at inception)

14C Equity component of preference shares:

0.0001% redeemable non cumulative preference shares (RNCPS) of INR 10 each (including share premium of INR 90 each)	**Number of shares**	**Total proceeds**	**Liability component (refer note 16)**	**Equity component***
At 1 April 2017	1,881,220	188	41	140
Accretion during the year			5	-
At 31 March 2018	1,881,220	188	46	140
Accretion during the period	-	-	4	-
At 31 December 2018	**1,881,220**	**188**	**50**	**140**

(*Adjusted for deferred tax at inception)

(Amounts in INR millions, unless otherwise stated)

0.0001% compulsorily convertible preference shares (CCPS) of INR 10 each	**Number of shares**	**Amount**
At 1 April 2017	33,600,795	336
Shares issued during the year	4,100,000	41
At 31 March 2018	37,700,795	377
Shares issued during the period	-	-
At 31 December 2018	**37,700,795**	**377**

At 31 March 2018	**517**
At 31 December 2018	**517**

Terms/rights attached to preference shares

0.0001% redeemable non cumulative preference shares (RNCPS)

ReNew Wind Energy (Devgarh) Private Limited has issued 1,881,220 RNCPS in FY 2014-15 of Rs.10 each fully paid-up at a premium of Rs. 90 per share. RNCPS carry non cumulative dividend @ 0.0001%. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting and conversion rights. RNCPS shall be redeemed at Rs. 100 per share on March 31, 2030 or as may be determined by the Board in one or more tranches and agreed by the preference shareholder.

In the event of any Liquidation of the Company, the RNCPS shall be entitled to receive an amount that equal to the Face value of preference share and such Dividend in arrear, if any, declared and remained unpaid. The RNCPS shall also have right to participate in surplus assets & profits of the respective entity, which may remain after the entire capital (both equity share capital and Preference share capital) of the respective entity has been repaid, to the extent of Rs 90 per share.

The management believes that the premium payable on aforesaid shares on redemption shall be provided out of the accumulated profits or securities premium and the company shall have sufficient balance at the redemption. Accordingly, the Company has not accrued for premium payable on redemption of such preference shares.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)

ReNew Wind Energy (Rajasthan 3) Private Limited has issued 16,248,850 0.0001% CCPS during F.Y. 2014-15 and 3,542,120 0.0001% CCPS during F.Y. 2015-16, ReNew Saur Urja Private Limited has issued 4,100,000 0.0001% CCPS during F.Y. 2017-18 and 6,549,000 0.0001% CCPS during F.Y. 2016-17 and ReNew Solar Energy (Telangana) Private Limited has issued 48,35,825 0.0001% CCPS during FY 2016-17 and 16,25,000 0.0001% CCPS during FY 2015-16.
CCPS are having face value of INR 10 each fully paid-up at a premium of INR 90 per share.
CCPS carry non cumulative dividend @ 0.0001%. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable.
CCPS issued by ReNew Wind Energy (Rajasthan 3) Private Limited and ReNew Saur Urja Private Limited would be compulsorily converted into Equity Shares of the Company at the price of INR 100 (Rupees Hundred) per share on March 31, 2030 and on March 31, 2035 respectively in the ratio of 1 equity shares : 1 preference shares.

CCPS issued by ReNew Solar Energy (Telangana) Private Limited would be converted into Equity shares anytime before the mandatory conversion date at the option of the holder. However, the same shall automatically stand converted into Equity shares of the Company at the price of Rs.100/-(Rupees Hundred) per share on 20th anniversary in the ratio of 0.95 equity shares:1 preference shares.

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

14D Shares held by the holding company

	31 December 2018		**31 March 2018**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
ReNew Solar Power Private Limited*				
Equity shares of INR 10 each	11,769,787	118	11,751,823	118
0.0001% compulsorily convertible preference shares of INR 10 each	17,909,825	179	17,909,825	179
ReNew Power Limited*				
Equity shares of INR 10 each	8,967,004	90	8,949,040	89
0.0001% redeemable non cumulative preference shares of INR 10 each	1,881,220	19	1,881,220	19
0.0001% compulsorily convertible preference shares of INR 10 each	19,790,970	198	19,790,970	198

*for details of relationship with the respective entities of the Restricted Group refer note 30.

(Amounts in INR millions, unless otherwise stated)

14E	**Details of shareholders holding more than 5% shares in the Restricted Group**	**31 December 2018**		**31 March 2018**	
		Number	**% Holding**	**Number**	**% Holding**
	Equity shares of INR 10 each				
	ReNew Solar Power Private Limited*	11,769,787	43.70%	11,751,823	43.66%
	ReNew Power Limited*	8,967,004	33.29%	8,949,040	33.25%
	Hareon Power Singapore Private Limited	6,198,144	23.01%	6,216,108	23.09%
	0.0001% redeemable non cumulative preference shares of INR 10 each				
	ReNew Power Limited*	1,881,220	100.00%	1,881,220	100.00%
	0.0001% compulsorily convertible preference shares of INR 10 each				
	ReNew Solar Power Private Limited*	17,909,825	47.51%	17,909,825	47.51%
	ReNew Power Limited*	19,790,970	52.49%	19,790,970	52.49%

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

*for details of relationship with the respective entities of the Restricted Group refer note 30.

15 Other equity

15A Share application money pending allotment

At 1 April 2017	-
Share application money received	920
Equity shares issued during the year	(510)
Preference shares issued during the year	(410)
At 31 March 2018	-
Share application money received	2
Equity shares issued during the period	(2)
At 31 December 2018	**-**

15B Securities premium

At 1 April 2017	4,965
Premium on issue of equity shares during the year	459
Premium on issue of RNCPS during the year	369
Amount utilized against for issue of shares	(1)
At 31 March 2018	**5,792**
Premium on issue of equity shares during the period	2
At 31 December 2018	**5,794**

Nature and purpose

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

15C Hedging Reserve

At 1 April 2017	(394)
Movement in hedge reserve (refer note 32)	205
At 31 March 2018	**(189)**
Movement in hedge reserve (refer note 32)	133
At 31 December 2018	**(56)**

Nature and purpose

The Restricted 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, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (principal & interest payments).

15D Retained earnings

At 1 April 2017	(310)
Loss for the year	524
At 31 March 2018	**214**
Profit for the period	278
At 31 December 2018	**492**

(Amounts in INR millions, unless otherwise stated)

16 Long-term borrowings	Nominal interest rate %	Maturity	Non-current 31 December 2018	Non-current 31 March 2018	Current 31 December 2018	Current 31 March 2018
Compulsorily Convertible Debentures (unsecured) (refer note 14B)	8.00%	September 2036	408	376		-
Term loan from bank (secured)	9.75% - 11.70% 3 Months Libor + 3% 6 Months Libor + 3.85%	March 2036	16,107	10,582	781	504
Term loan from financial institutions (secured)	11.00%	June 2031	339	367	15	14
Buyer's / Supplier's credit (secured)	2.02% -7.90% 6 Months Libor + 62-83 BPS	December 2019	-	4,451	5,111	4,108
Liability component of preference shares (secured) (refer note 14C)	0.0001%	March 2030	50	46	-	-
Total long-term borrowings			**16,904**	**15,822**	**5,907**	**4,626**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 21)			-	-	(5,907)	(4,626)
			16,904	**15,822**	**-**	**-**

Notes:

(i) 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.

(ii) Term loan from banks are secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the entities forming part of the Restricted Group.

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

(iv) Buyer's/ Supplier's credit are secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the entities forming part of the Restricted Group. Creation of charge by way of mortgage and assignment is under process.

(v) All the loans are covered by corporate guarantee of ReNew Power Limited.

(vi) ReNew Solar Power Private Limited has pledged 9,157,526 (31 March 2018: 9,157,526) equity shares and 15,210,825 (31 March 2018: 15,210,825) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(vii) ReNew Power Limited has pledged 8,948,998 (31 March 2018: 8,948,998) equity shares and 18,130,050 (31 March 2018: 18,130,050) preference shares of the the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

17 Other non-current liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Provision for operation and maintenance equalisation	218	196
Total	**218**	**196**

18 Short term borrowings	**As at 31 December 2018**	**As at 31 March 2018**
Acceptances (unsecured)	1,726	660
Loan from related party (unsecured) (refer note 30)	5,639	5,623
Loan from body corporate	0	0
Buyer's / Supplier's credit (secured)	4,465	2,600
Total	**11,830**	**8,883**

Acceptances (unsecured)
Acceptances are secured by parri 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 8.25% to 8.50%.

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

Buyer's / Supplier's credit (secured)
Buyer's/Supplier credit carries an interest rate of 2.02% to 3.76% 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 Company. Creation of charge by way of mortgage and assignment is under process.

Loan from body corporates (unsecured)
No interest is payable on the loan and shall be repaid as per the terms of respective share purchase agreements.

19 Trade payables	**As at 31 December 2018**	**As at 31 March 2018**
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 38)	-	-
Others	902	524
Total	**902**	**524**

20 Derivative instruments	**As at 31 December 2018**	**As at 31 March 2018**
Financial liabilities at fair value through OCI (current)		
Cash flow hedges		
Derivative instruments	54	713
Total	**54**	**713**

(Amounts in INR millions, unless otherwise stated)

21 Other current financial liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 16)	5,907	4,626
Others		
Interest accrued but not due on borrowings	972	638
Capital creditors	2,929	5,847
Total	**9,808**	**11,111**

22 Other current liabilities	**As at 31 December 2018**	**As at 31 March 2018**
Provision for operation and maintenance equalisation	31	31
Other payables		
TDS payable	3	56
GST payable	0	0
Advance from customers	0	0
Total	**34**	**87**

23 Short term provisions	**As at 31 December 2018**	**As at 31 March 2018**
Income tax provision (net of advance tax)	7	12
Total	**7**	**12**

(Amounts in INR millions, unless otherwise stated)

24 Revenue from operations	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
Income from contracts with customers		
Sale of power	4,685	2,760
Total	**4,685**	**2,760**

25 Other income	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
Interest income		
- on fixed deposit with banks	155	93
- on loan to related parties (refer note 30)	3	40
- income tax refund	1	-
- others	1	-
Government grant		
- generation based incentive	123	113
Income from leases	162	-
Insurance claim	5	0
Foreign exchange gain (net)	-	-
Gain on ineffectiveness on derivative instruments designated as cash flow hedge(net)	37	-
Fair value change of mutual fund	11	1
Miscellaneous income	2	10
Total	**500**	**257**

26 Other expenses	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
Legal and professional fees	117	16
Corporate social responsibility	1	2
Travelling and conveyance	11	5
Management shared services	134	129
Rates and taxes	20	3
Payment to auditors (refer details below)	3	1
Insurance	15	12
Operation and maintenance	427	133
Repair and maintenance		
- plant and machinery	4	1
Guest house expenses	3	-
Security charges	6	10
Communication costs	2	1
Loss on ineffectiveness on derivative instruments designated as cash flow hedge(net)	-	7
Foreign exchange loss (net)	42	10
Penalty for delay in project commissioning	-	4
Miscellaneous expenses	10	4
	795	**338**

Payment to Auditors	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
As auditor:		
Audit fee	3	1
Reimbursement of expenses	0	0
	3	**1**

(Amounts in INR millions, unless otherwise stated)

27 Depreciation & amortisation expense	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
Depreciation of property, plant & equipment (refer note 4)	1,390	774
Amortisation of intangible assets (refer note 5)	1	-
Total	**1,391**	**774**

28 Finance costs	**For the nine months period ended 31 December 2018**	**For the nine months period ended 31 December 2017**
Interest expense on		
- term loans	1,227	820
- loan from related party (refer note 30)	421	139
- acceptance	114	4
- buyer's/supplier's credit	575	359
- liability component of compulsorily convertible debentures	32	29
- liability component of redeemable non-cumulative preference shares	4	4
- others	2	-
Bank charges	14	16
Total	**2,389**	**1,371**

(Amounts in INR millions, unless otherwise stated)

29 Earnings per share (EPS)

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

30 Related Party Disclosures

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

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited#	ReNew Power Limited #
Kanak Renewables Limited#	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.
*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

II. Ultimate Holding Company
GS Wyvern Holdings Limited (till 22nd March 2018)

III. Key management personnel (KMPs) :
Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Limited.
Mr. Ravi Seth, Chief Financial Officer*
Mr. Parag Sharma, Chief Operating Officer and the Head of the Solar Business*
Mr. Balram Mehta, President of the Wind Business*
Mr. Ravi Parmeshwar, Chief Human Resource Officer*
Mr. Ashish Jain, Company Secretary and Compliance Officer*

* Designated as KMPs during the current year.

IV. Relatives of Key management personnel (KMPs)
Mrs. Vaishali Nigam Sinha

IV. Fellow subsidiaries with whom transactions occurred during the year:
Narmada Wind Energy Private Limited
ReNew Akshay Urja Limited
ReNew Solar Energy (Rajasthan) Private Limited
ReNew Mega Solar Power Private Limited
ReNew Power Services Private Limited
ReNew Solar Energy (Karnataka) Private Limited
ReNew Solar Energy Private Limited
ReNew Solar Services Private Limited
ReNew Wind Energy (AP 3) Private Limited
ReNew Wind Energy (AP Five) Private Limited
ReNew Wind Energy (AP) Private Limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Wind Energy MP Private Limited
ReNew Wind Energy (Karnataka 3) Private Limited
ReNew Wind Energy (MP Four) Private Limited
ReNew Agni Power Private Limited
Ostro Energy Private Limited
ReNew Wind Energy (Karnataka) Private Limited
ReNew Wind Energy (Maharashtra) Private Limited
ReNew Wind Energy (MP Three) Private Limited
ReNew Wind Energy (MP Two) Private Limited
ReNew Wind Energy (Orissa) Private Limited
ReNew Wind Energy (Rajasthan Four) Private Limited
ReNew Wind Energy (Rajasthan) Private Limited
ReNew Wind Energy (Rajkot) Private Limited
ReNew Wind Energy (Shivpur) Private Limited
ReNew Wind Energy (TN 2) Private Limited
ReNew Wind Energy (Varekarwadi) Private Limited
ReNew Wind Energy (Welturi) Private Limited
Shruti Power Private Limited
ReNew Wind Energy (Karnataka 4) Private Limited
Bhumi Prakash Private Limited
Tarun Kiran Bhoomi Private Limited

V. Enterprise with significant influence

Name of entity	Enterprise with significant influence
ReNew Solar Energy (Telangana) Private Limited	Hareon Solar Singapore Private Limited

b) Details of transactions with holding Company:

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	For the period ended 31 December 2018	For the period ended 31 December 2017	For the period ended 31 December 2018	For the period ended 31 December 2017
Unsecured loan given	-	930	-	-
Repayment of unsecured loan	5	50	-	-
Unsecured loan received	3,216	-	1,455	1,515
Unsecured loan repaid	2,319	641	760	859
Expenses incurred by holding	316	9	0	-
Expenses incurred on behalf of holding company	0	13	0	9
Purchase EPC	-	-	154	1,627
Share application money received	2	-	-	-
Purchase of consumables	-	-	1	-
Reimbursement of expenses	9	36	-	-
Purchase of Services# (Management Shared Service)	117	119	-	-
Issue of equity shares (including security premium)	2	-	-	-
Interest expense on unsecured loan	158	58	176	73
Interest income on unsecured loan	1	40	-	

ReNew Power Limited, the holding Company and ReNew Power Services private Limited, a fellow subsidiary have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by these companies is most appropriate basis for recovering of such common expenses.

c) Details of outstanding balances with holding Company:

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
Unsecured loan payable	1,701	804	2,889	2,194
Unsecured loan receivable	10	15	-	-
Trade payables	498	137	14	17
Capital creditor	272	348	* 936	1,207
Interest income accrued on unsecured loan	23	22	-	-
Interest expense accrued on unsecured loan	330	226	280	147
Recoverable from related parties	1	9	-	2

*Including Provision of INR 4.

d) Details of transactions with fellow subsidiaries:

i) Loans taken & repayment thereof and interest expense thereon

Particulars	For the period ended 31 December 2018			For the period ended 31 December 2017		
	Unsecured loan received	Unsecured loan repaid	Interest expense on unsecured loan	Unsecured loan received	Unsecured loan repaid	Interest expense on unsecured loan
ReNew Wind Energy (Karnataka) Private Limited	-	-	0	-	213	1
ReNew Wind Energy (Rajkot) Private Limited	-	-	54	940	50	41
ReNew Wind Energy (AP 3) Private Limited	-	-	0	430	-	2
ReNew Wind Energy (MP Two) Private Limited	-	-	4	-	-	4
Shruti Power Private Limited	-	1,582	20	-	-	-
ReNew Wind Energy MP Private Limited	165	160	1	-	-	-

ii) Loans given & repayment thereof and interest income thereon

Particulars	For the period ended 31 December 2018			For the period ended 31 December 2017		
	Unsecured loan given	Unsecured loan repaid	Interest income on unsecured loan	Unsecured loan given	Unsecured loan repaid	Interest income on unsecured loan
ReNew Solar Services Private Limited	253	-	2	-	-	-

iii) Expenses incurred and payment made on behalf and purchase of land

Particulars	For the period ended 31 December 2018			For the period ended 31 December 2017		
	Expenses incurred by related party	Expenses incurred on behalf of related party	Purchase of land	Expenses incurred by related party	Expenses incurred on behalf of related party	Purchase of land
ReNew Wind Energy (Varekarwadi) Private Limited	-	-	-	0	-	-
ReNew Wind Energy (Karnataka) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Maharashtra) Private Limited	-	-	-	-	0	-
ReNew Wind Energy (MP Three) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Rajasthan Four) Private Limited	-	0	-	0	-	-
ReNew Wind Energy (Rajasthan) Private Limited	-	-	-	0	-	-
ReNew Wind Energy (Rajasthan One) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Shivpur) Private Limited	2	-	-	0	-	-
ReNew Wind Energy (TN 2) Private Limited	-	-	-	0	-	-
ReNew Solar Energy (TN) Private Limited	0	-	-	-	-	-
Narmada Wind Energy Private Limited	-	-	-	0	-	-
ReNew Solar Energy Private Limited	0	0	-	0	0	-
ReNew Mega Solar Power Private Limited	-	-	-	0	0	-
ReNew Saur Urja Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Karnataka 4) Private Limited	-	-	-	0	-	-
Bhumi Prakash Private Limited	-	-	-	0	0	-
Ostro Energy Private Limited		0	-	-	-	-
ReNew Power Services Private Limited	2	2	-	2	1	-

iv) Purchase of management shared services, engineering procurement and construction services and operation and maintenance services

Particulars	For the period ended 31 December 2018		For the period ended 31 December 2017	
	Management shared services	Reimbursement of expenses	Management shared services	Reimbursement of expenses
ReNew Power Services Private Limited	8	338	-	-

Particulars	For the period ended 31 December 2018		For the period ended 31 December 2017	
	EPC Purchase	Operation & maintenance	EPC Purchase	Operation & maintenance
ReNew Solar Energy Private Limited	108	-	1,146	-
ReNew Wind Energy (Jamb) Private Limited	4	-	111	-
ReNew Power Services Private Limited	20	135	43	-

v) Purchase of consumables

Particulars	31 December 2018	31 December 2017
ReNew Solar Energy Private Limited	1	-
ReNew Power Services Private Limited	0	-

vi) Sale of consumables

Particulars	31 December 2018	31 December 2017
KCT Renewable Energy Private Limited	2	-
ReNew Power Services Private Limited	0	-

e) Details of outstanding balances with fellow subsidiaries:

i) Loan payable & interest expense payable

Particulars	31 December 2018		31 March 2018	
	Loan payable	Interest payable	Loan payable	Interest payable
ReNew Wind Energy (Karnataka) Private Limited	5	3	5	3
ReNew Wind Energy (Rajkot) Private Limited	890	106	890	53
ReNew Wind Energy (AP 3) Private Limited	5	4	5	4
ReNew Wind Energy (MP Two) Private Limited	61	9	61	5
Shruti Power Private Limited	82	33	1,664	14
ReNew Wind Energy MP Private Limited	5	1	-	-

ii) Loan receivable & interest income receivable

Particulars	31 December 2018		31 March 2018	
	Loan receivable	Interest receivable	Loan payable	Interest payable
ReNew Solar Services Private Limited	253	2	-	-

iii) Investment in redeemable non cumulative preference shares

Particulars	31 December 2018	31 March 2018
ReNew Power Services Private Limited	-	12,000

iv) Trade payable, capital creditor and recoverable from related parties

Particulars	31 December 2018			31 March 2018		
	Trade payable	Capital creditor	Recoverable from related parties	Trade payable	Capital creditor	Recoverable from related parties
ReNew Wind Energy (Varekarwadi) Private Limited	-	-	0	-	-	0
ReNew Akshay Urja Limited	-	-	0	-	-	0
ReNew Solar Energy (Karnataka) Private Limited	0	-	-	0	-	-
ReNew Solar Services Private Limited	0	-	-	0	-	-
ReNew Wind Energy (AP) Private Limited	0	-	-	0	-	-
ReNew Wind Energy (Jamb) Private Limited	-	* 1	0	-	261	0
ReNew Wind Energy (Karnataka) Private Limited	0	-	-	0	-	-
ReNew Wind Energy (Maharashtra) Private Limited	0	-	-	0	-	-
ReNew Wind Energy (MP Three) Private Limited	0	-	0	-	-	0
ReNew Wind Energy (MP Two) Private Limited	-	5	-	-	5	-
ReNew Wind Energy (Rajasthan Four) Private Limited	-	-	0	-	-	0
ReNew Wind Energy (Rajasthan) Private Limited	-	-	0	-	-	0
ReNew Wind Energy (Rajasthan One) Private Limited	0	-				
ReNew Wind Energy (Rajkot) Private Limited	1	-	-	1	-	-
ReNew Wind Energy (Shivpur) Private Limited	2	-	-	-	-	0
ReNew Wind Energy (TN 2) Private Limited	-	-	0	-	-	0
ReNew Solar Energy (TN) Private Limited	0	-	-			
ReNew Wind Energy (Welturi) Private Limited	0	-	-	0	-	-
Renew Wind Energy MP Private Limited	-	-	-	135	-	-
Narmada Wind Energy Private Limited	-	-	0	-	-	0
ReNew Solar Energy Private Limited	31	** 534	137	27	1,133	0
ReNew Mega Solar Power Private Limited	0	-	0	0	-	0
ReNew Saur Urja Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Karnataka 4) Private Limited	-	-	0	-	-	0
Bhumi Prakash Private Limited	0	-	-	0	-	-
Ostro Energy Private Limited	-	-	0	-	-	-
ReNew Power Services Private Limited	# 167	167	0	54	440	1
ReNew Wind Energy (Orissa) Private Limited	-	-	14	-	-	-

* Including Provision of INR 1.

** Including Provision of INR 4.

Including Provision of INR 70.

v) Capital advance

Particulars	31 December 2018	31 March 2018
ReNew Wind Energy (Orissa) Private Limited	-	14

vi) Trade Receivable

Particulars	31 December 2018	31 March 2018
KCT Renewable Energy Private Limited	2	-
ReNew Power Services Private Limited	0	

f) Compensation of Key management personnel and their relatives

Remuneration to the key managerial personnel and their relatives is paid by the holding Company and fellow subsidiary (ReNew Power Services Private Limited) of entities forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Limited, holding company.

h) ReNew Solar Power Private Limited has pledged 9,157,526 (31 March 2018: 9,157,526) equity shares and 15,210,825 (31 March 2018: 15,210,825) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

i) ReNew Power Limited has pledged 8,948,998 (31 March 2018: 8,948,998) equity shares and 18,130,050 (31 March 2018: 18,130,050) preference shares of the the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

31 Segment Information

The managing director of ReNew Power 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 group's Managing Director. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 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 operating profit, comparable operating profit and comparable EBITDA.

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

	For the nine months ended 31 December 2018			For the nine months ended 31 December 2017		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Sale of power and sale of renewable energy certificates	1,969	2,716	4,685	1,307	1,453	2,760
Revenues from operations	**1,969**	**2,716**	**4,685**	**1,307**	**1,453**	**2,760**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**1,969**	**2,716**	**4,685**	**1,307**	**1,453** -	**2,760**
Interest income	64	94	158	72	61	133
Other Income (other than interest income)	291	51	342	118	6	124
Total income	**2,324**	**2,861**	**5,185**	**1,497**	**1,520**	**3,017**
Less: Other expenses	346	449	795	155	183	338
Earning before interest, tax, depreciation and amortization (EBITDA)	**1,978**	**2,412**	**4,390**	**1,342**	**1,337**	**2,679**

The Revenues from three major customers amounts to INR 2,527 (31 December 2017: two customers INR 2,542) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 1,366 (31 December 2017: INR 1,307) and Solar Segment amounts to INR 1,161 (31 December 2017: 1,235).

(Amounts in INR millions, unless otherwise stated)

32 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 2.02% to 7.90% p.a. and receive a variable interest at 1 month LIBOR plus 0.45% p.a. to 6 month LIBOR plus 0.83% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 10.61% to 13.50% p.a. and receive a variable interest at 3 month LIBOR plus 0.01% - 3.65% to 6 months LIBOR plus 0.83% p.a. on the notional amount.

The cash flow hedges through CCS of USD 177,151,909, IRS of USD 38,068,139 and forward of USD 64,213,575 outstanding at the period ended 31 December 2018 were assessed to be highly effective and a mark to market loss of INR 76 (31 March 2018: INR 254) with a deferred tax asset of INR 20 (31 March 2018: INR 66), is included in OCI.

Foreign currency and Interest rate risk

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

	31 December 2018		31 March 2018	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Forward Contracts designated as hedging instruments	461	54	1	713

Hedging reserve movement

	As at 31 December 2018	As at 31 March 2018
Balance at the beginning of the period/year	**(189)**	**(394)**
Gain/(loss) recognised on cash flow hedges	215	(200)
Income tax relating to gain/loss recognized on cash flow hedges	(56)	24
Gain/(loss) reclassified to profit or loss	(43)	29
Income tax relating to gain/loss reclassified to profit or loss	11	(8)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	8	486
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(2)	(126)
Balance at the end of the period/year	**(56)**	**(189)**

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

(i) Contingent liabilities
The entities forming part of the Restricted Group have contingent liability of INR Nil (31 March 2018: INR 22).

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 December 2018, the Restricted Group has capital commitment (net of advances) pertaining to commissioning of solar energy projects of INR Nil (31 March 2018: 107).

(Amounts in INR millions, unless otherwise stated)

34 Fair values

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

	31 December 2018		31 March 2018	
	Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial assets				
Loans	1,470	1,470	1,218	1,218
Bank deposits with remaining maturity for more than twelve months	150	150	30	30
Investments-current, quoted mutual funds	-	-	354	354
Derivative instruments	461	461	1	1
Trade receivables	2,473	2,473	920	920
Cash and cash equivalent	1,344	1,344	459	459
Bank balances other than cash and cash equivalent	1,715	1,715	2,313	2,313
Other current financial assets	281	281	551	551
Financial liabilities				
Long term borrowings	16,904	16,904	15,822	15,822
Derivative instruments	54	54	713	713
Short-term borrowings	11,830	11,830	8,883	8,883
Trade payables	902	902	524	524
Other current financial liabilities	9,808	9,808	11,111	11,111

The management of the entities forming part of the Restricted Group assessed that current investments, cash and cash equivalents, trade receivables, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

i The fair values of the entities forming part of the Restricted Group's term loans from banks and financial institutions including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 December 2018 was assessed to be insignificant.

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

iii The entities forming part of the Restricted 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.

35 Fair value hierarchy

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

The following table provides the fair value measurement hierarchy of the assets and liabilities of the entities forming part of the Restricted Group :-

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

	Level of fair value measurement	31 December 2018		31 March 2018	
		Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial Assets (Current) **Financial assets measured at fair value**					
Investments (quoted mutual funds)	Level 1	-	-	354	354
		-	**-**	**354**	**354**
Financial assets not measured at fair value Measured at amortised cost Financial Assets (Non current): Loans					
Security deposits	Level 2	4	4	-	-
Total		**4**	**4**	**-**	**-**
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 2	150	150	30	30
Total		**150**	**150**	**30**	**30**
Financial assets not measured at fair value Financial Assets (current): Loans					
Loan to fellow subsidiary - redeemable non cumulative preference shares	Level 2	1,200	1,200	1,200	1,200
Security deposits	Level 2	4	4	3	3
Loans to related parties	Level 2	262	262	15	15
Total		**1,466**	**1,466**	**1,218**	**1,218**

(Amounts in INR millions, unless otherwise stated)

Financial Assets (Current): Others					
Generation based incentive receivable	Level 2	48	48	44	44
Recoverable from related parties	Level 2	152	152	12	12
Unbilled revenue	Level 2	-	-	441	441
Interest accrued on fixed deposits	Level 2	56	56	33	33
Interest accrued on loans to related parties	Level 2	25	25	21	21
Total		**281**	**281**	**551**	**551**
Measured at fair value through Profit and Loss					
Derivative instruments	Level 2	461	461	1	1
Total		**461**	**461**	**1**	**1**
Trade receivables	Level 2	**2,473**	**2,473**	**920**	**920**
Cash and bank balances					
Cash and cash equivalent	Level 2	1,344	1,344	459	459
Bank balances other than cash and cash equivalent	Level 2	1,715	1,715	2,313	2,313
Total		**3,059**	**3,059**	**2,772**	**2,772**
Financial liabilities not measured at fair value					
1. Measured at amortised cost					
Compulsorily Convertible Debentures (unsecured)	Level 2	408	408	376	376
Liability component of preference shares	Level 2	50	50	46	46
Buyer's / Supplier's credit	Level 2	-	-	4,451	4,451
Term loan in Indian rupees from banks	Level 2	16,107	16,107	10,582	10,582
Term loan in Indian rupees from financial institution	Level 2	339	339	367	367
Total		**16,904**	**16,904**	**15,822**	**15,822**
Short-term borrowings	Level 2	**11,830**	**11,830**	**8,883**	**8,883**
Trade payables	Level 2	**902**	**902**	**524**	**524**
Financial liabilities (Current): Others					
Current maturities of long term borrowings	Level 2	5,907	5,907	4,626	4,626
Interest accrued but not due on borrowings	Level 2	972	972	638	638
Capital creditors	Level 2	2,929	2,929	5,847	5,847
Total		**9,808**	**9,808**	**11,111**	**11,111**
Measured at fair value through Other comprehensive income					
Derivative instruments	Level 2	54	54	713	713

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets measured at fair value			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Derivative instruments- Cross currency interest rate swaps	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to
Financial assets not measured at fair value			
Security deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	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
Trade receivables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Generation based incentive receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Insurance claim receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities not measured at fair value			
Compulsorily Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Liability component of preference shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Other payable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

36 Financial Risk Management objectives and policies

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

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

Market Risk

Market risk is the risk that the Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.
The sensitivity analyses in the following sections relate to the position as at 31 December 2018. 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 December 2018.

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. borrowings in INR and USD. With all other variables held constant, the entities forming part of the Restricted Group's profit before tax is affected through the impact on financial assets, as follows:

	31 December 2018		31 December 2017	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+ 25	+/(-)50	(-)/+ 7
USD	+/(-)60	(-)/+ 2	+/(-)60	(-)/+ 2
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	(-)/+ 18	+/(-)50	(-)/+ 4
USD	+/(-)60	(-)/+ 1	+/(-)60	(-)/+ 1

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 entities forming part of the Restricted Group do not have any foreign currency exposures as on 31 December 2018. In case of foreign currency exposures, the entities forming part of the Restricted Group monitor that the hedges do not exceed the underlying foreign currency exposure. The entities forming part of the Restricted Group do not undertake any speculative transactions.

Foreign currency sensitivity

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

	31 December 2018		31 December 2017	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(22)	22	(22)	22

Credit Risk

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

Further the entities forming part of the Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.
The maximum credit exposure to credit risk for the components of the balance sheet at 31 December 2018 and 31 March 2018 is the carrying amount of all the financial assets.

Trade Receivables

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

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

Financial instruments and credit risk

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

(Amounts in INR millions, unless otherwise stated)

Liquidity Risk

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

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

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

Period ended 31 December 2018	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Borrowings						
Compulsorily convertible debentures	-	-	-	-	408	408
Redeemable non cumulative preference shares	-	-	-	-	50	50
Term loan from banks *	-	-	-	12,071	15,461	27,532
Term loan from financial institutions*	-		-	227	410	637
Short term borrowings						
Loans from related party	5,639	-	-	-	-	5,639
Acceptances	-	1,726	-	-	-	1,726
Loan from body corporate	-	0	-	-	-	0
Buyer's / Supplier's credit	-	1,547	2,918	-	-	4,465
Other financial liabilities						
Current maturities of long term borrowings*	-	1,162	6,758	-	-	7,920
Interest accrued but not due on borrowings	766	-	206	-	-	972
Capital Creditors	1,915	1,014	-	-	-	2,929
Mark to market derivative instruments	-	54	-	-	-	54
Trades payables						
Trades payables	713	189	-	-	-	902

* Including future interest payments.

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

Year ended 31 March 2018	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Borrowings						
Compulsorily convertible debentures	-	-	-	-	376	376
Redeemable non cumulative preference shares	-	-	-	-	46	46
Term loan from banks *	-	-	-	9,160	9,579	18,739
Term loan from financial institutions*	-	-	-	220	438	658
Buyer's credit	-	-	-	4,451	-	4,451
Short term borrowings						
Loans from related party	5,623	-	-	-	-	5,623
Acceptances	-	660	-	-	-	660
Buyer's / Supplier's credit	-	1,931	669	-	-	2,600
Other financial liabilities						
Current maturities of long term borrowings*	-	321	5,664	-	-	5,985
Interest accrued but not due on borrowings	451	-	187	-	-	638
Capital Creditors	3,393	2,454	-	-	-	5,847
Mark to market derivative instruments	-	713	-	-	-	713
Trades payables						
Trades payables	372	152	-	-	-	524

* Including future interest payments.

(Amounts in INR millions, unless otherwise stated)

37 Capital management

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

The entities forming part of the the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

The policy of the respective entities forming part of the Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with industry rate. In the construction phase the entities forming part of Restricted Group manages the ratio at 3:1 through internal

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

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 December 2018.

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

Since these are interim financial statements, disclosure of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006 has not been made. The same shall be reported in the year end statutory financial statements.

39 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the nine months period ended 31 December 2018
Revenue as per contracted price	4,747
Adjustments	
Discounts and rebates	12
Operating charges	50
Price concessions	-
Incentives and performance bonus	-
Revenue from contract with customers	**4,685**

40 Corporate social responsibility expenditure

Since these are interim financial statements, disclosure of expenditure on corporate social responsibility has not been made. The same shall be reported in the year end statutory financial statements.

41 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The entities forming part of the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the entities forming part of the Restricted 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 entities forming part of the the Restricted 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

Depreciation on property, plant and equipment

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

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

B) Estimates and assumptions:

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 34 and 35 for further disclosures.

42 There are no employees on the rolls of the entities forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. ReNew Power Limited and ReNew Power Services private Limited have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the these companies is most appropriate basis for recovering of such common expenses.

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

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **ReNew Power Limited (formerly known as ReNew Power Ventures Pvt. Ltd. and Renew Power Pvt. Ltd.) ("RPL")**

Report on Combined Financial Statements

We have audited the accompanying Special Purpose Combined Financial Statements of Restricted Group (consisting of certain specific subsidiaries of RPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group") which comprises of the combined Balance Sheet as at 31 March 2018, the combined Statement of Profit and Loss including other comprehensive income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the year then ended and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively, the "Combined Financial Statements").

The Combined Financial Statements have been prepared in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statements.

Management's responsibility for the Combined Financial Statements

RPL's Board of Directors is responsible for the preparation these Special Purpose Combined Financial Statements in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statement. This includes the design, implementation and maintenance of 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 Combined Financial Statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

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

S.R. BATLIBOI & CO. LLP
GURUGRAM

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements as at and for the year ended 31 March 2018 are prepared in all material respects, in accordance with the basis of preparation as set out in note 3 to those Special Purpose Combined Financial Statements.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 and 3 to the Special Purpose Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31 March 2018, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. The Special Purpose Combined Financial Statements has been prepared solely in connection with the proposed issuance of USD denominated Notes by each member of the Restricted Group for which the RPL is a guarantor and for inclusion in the Offering Memorandum. As a result, the combined financial statements may not be suitable for another purpose.

Other matter

The accompanying Special Purpose Combined Financial Statements include total assets of Rs. 12,286 million and net assets of Rs. 543 million as at 31 March 2018, and total revenues of Rs. 261 million and net cash inflows of Rs. 66 million for the year ended on that date, in respect of 4 entities forming part of the Restricted Group, which have been audited by other auditors, which financial statements, other financial information and auditors report have been furnished to us by the management. Our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the reports of such other auditors.

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

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

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 11 February 2019

Restricted Group
Special Purpose Combined Balance Sheet as at 31 March 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
Assets			
Non-current assets			
Property, plant and equipment	4	37,353	14,103
Capital work in progress	4	441	8,977
Investment property	5	1	1
Financial assets			
Loans	6	-	3
Others	6	30	0
Deferred tax assets (net)	7	167	231
Prepayments	8	14	21
Other non-current assets	9	452	1,139
Total non-current assets		**38,458**	**24,475**
Current assets			
Financial assets			
Investments	6	354	-
Derivative instruments	6	1	-
Loans	6	1,218	-
Trade receivables	10	920	518
Cash and cash equivalent	11	459	2,422
Bank balances other than cash and cash equivalent	11	2,313	562
Others	6	551	482
Prepayments	8	23	17
Other current assets	9	67	25
Total current assets		**5,906**	**4,026**
Total assets		**44,364**	**28,501**
Equity and liabilities			
Equity			
Equity share capital	12A	269	218
Other equity			
Equity component of compulsorily convertible debentures	12B	401	401
Equity component of preference shares	12C	517	476
Securities premium	13B	5,792	4,965
Hedging reserve	13C	(189)	(394)
Retained earnings	13D	214	(310)
Total equity		**7,004**	**5,356**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	14	15,822	15,000
Deferred tax liabilities (net)	7	12	45
Other non-current liabilities	15	196	163
Total non-current liabilities		**16,030**	**15,208**
Current liabilities			
Financial liabilities			
Short-term borrowings	16	8,883	3,949
Trade payables			
Outstanding dues to micro enterprises and small enterprises	17	-	-
Others	17	524	285
Derivative instruments	18	713	1,031
Other current financial liabilities	19	11,111	2,628
Other current liabilities	20	87	43
Short-term provisions	21	12	1
Total current liabilities		**21,330**	**7,937**
Total liabilities		**37,360**	**23,145**
Total equity and liabilities		**44,364**	**28,501**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2018

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2018

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2018

Restricted Group
Special Purpose Combined Statement of Profit and Loss for year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income:			
Revenue from operations	22	3,793	1,784
Other income	23	351	390
Total income		**4,144**	**2,174**
Expenses:			
Other expenses	24	512	283
Total expenses		**512**	**283**
Earning before interest, tax, depreciation and amortization (EBITDA)		**3,632**	**1,891**
Depreciation expense	25	1,112	494
Finance costs	26	1,942	1,086
Profit before tax		**578**	**311**
Tax expense			
Current tax	7	127	57
Deferred tax	7	(79)	254
Tax for earlier years		6	-
Profit for the year	**(a)**	**524**	**0**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges		315	(421)
Income tax effect		(110)	130
Net other comprehensive income/(loss) that will be reclassified to profit or loss in subsequent periods	**(b)**	205	(291)
Total comprehensive (loss)/income for the year	**(a) + (b)**	**729**	**(291)**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements
As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2018

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Date: 11 February 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2018

Restricted Group
Special Purpose Combined Statement of Cash Flows for the year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
Profit before tax	**578**	**311**
Adjustments for:		
Depreciation expense	1,112	494
Operation and maintenance	55	-
Interest income	(203)	(155)
Interest expense	1,925	1,055
Fair value change of mutual fund (including realised gain)	(4)	-
Operating profit before working capital changes	**3,463**	**1,705**
Movement in working capital		
(Increase)/decrease in trade receivables	(402)	(161)
(Increase)/decrease in financial assets	(57)	(205)
(Increase)/decrease in prepayments	(0)	(24)
(Increase)/decrease in other assets	2	(167)
Increase/(decrease) in other liabilities	22	97
Increase/(decrease) in trade payables	239	230
Increase/(decrease) in financial liabilities	-	501
Cash generated from operations	**3,267**	**1,976**
Direct taxes paid (net of refunds)	(167)	(257)
Net cash generated from operating activities	**3,100**	**1,719**
Cash flow from investing activities		
Purchase of Property, plant and equipment including capital work in progress, capital advances and capital creditors	(11,277)	(12,858)
Net (Investments)/redemption of bank deposits having maturity more than 3 months	(1,781)	553
Loan given to related parties	(930)	-
Loan repaid by related parties	915	-
Loan to fellow subsidiaries - redeemable non cumulative preference shares	(1,200)	-
Interest received	190	150
Investment in mutual funds	(350)	-
Net cash used in investing activities	**(14,433)**	**(12,155)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	510	1,001
Proceeds from issue of preference shares (including premium)	410	1,137
Proceeds from issue of debentures	-	401
Share application money refunded	-	(50)
Proceeds from long-term borrowings	5,915	7,801
Repayment of long-term borrowings	(742)	(147)
Proceeds from short-term borrowings	7,026	6,099
Repayment of short-term borrowings	(2,095)	(2,887)
Interest paid	(1,654)	(945)
Net cash generated from financing activities	**9,370**	**12,410**
Net (decrease) / increase in cash and cash	**(1,963)**	**1,974**
Cash and cash equivalents at the beginning of the	**2,422**	**448**
Cash and cash equivalents at the end of the year	**459**	**2,422**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	399	957
- On deposit accounts with original maturity of less	60	1,465
Total cash and cash equivalents (note 11)	**459**	**2,422**

Changes in liabilities arising from financial activities:

Particulars	Opening balance as at 1 April 2017	Cash flows (net)	Other changes*	Closing balance as at 31 March 2018
Long-term borrowings (including current maturities)	15,301	5,174	(27)	20,448
Short -term borrowings	3,949	4,931	3	8,883
Total liabilities from financing activities	**19,250**	**10,105**	**(24)**	**29,331**

* other changes includes reinstatement of foreign currency borrowing and ancillary borrowing cost.

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

Summary of significant accounting policies Note 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
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Place: Gurugram
Date: 11 February 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2018

Restricted Group
Special Purpose Combined Statement of changes in equity for the year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group							Total equity
					Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Equity component of compulsorily convertible debentures	Share application money pending allotment	Securities premium	Retained earnings	Hedging Reserve	
	(refer note 12A)	(refer note 12C)	(refer note 12B)	(refer note 13A)	(refer note 13B)	(refer note 13D)	(refer note 13C)	
At 1 April 2016	**118**	**362**	**-**	**50**	**3,041**	**(310)**	**(103)**	**3,158**
Profit for the year	-	-	-	-	-	0	-	0
Other comprehensive income (net of taxes)	-		-	-	-	-	(291)	(291)
Total comprehensive income	-	-	-	-	-	0	(291)	(291)
Equity shares issued during the year	100	-	-	-	901	-	-	1,001
Preference shares issued during the year	-	114	-	(50)	1,025	-	-	1,089
Amount utilized for issue of preference shares	-	-	-	-	(2)	-	-	(2)
Equity component of compulsorily convertible debentures	-	-	401	-	-	-		401
At 31 March 2017	**218**	**476**	**401**	**-**	**4,965**	**(310)**	**(394)**	**5,356**
Profit for the year	-	-	-	-	-	524	-	524
Other comprehensive income (net of taxes)	-	-	-	-	-	-	205	205
Total Comprehensive Income	-	-	-	-	-	**524**	**205**	**729**
Equity shares issued during the year	51	-	-	(410)	459	-	-	100
Preference shares issued during the year	-	41	-	(510)	369	-	-	(100)
Share application money received			-	920	-	-	-	920
Amount utilized for issue of shares	-	-	-	-	(1)	-	-	(1)
At 31 March 2018	**269**	**517**	**401**	**-**	**5,792**	**214**	**(189)**	**7,004**

The accompanying notes are an integral part of the financial statements
As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2018

For and on behalf of the Restricted Group

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Place: Gurugram
Date: 11 February 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2018

(Amounts in INR millions, unless otherwise stated)

1 Corporate information

ReNew Power Limited is a public limited company (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') (referred to as the "Parent" or "RPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPL) which are collectively referred to as the 'Restricted Group' (as more clearly explained in the note below) intend to issue US Dollar denominated notes and their listing on Singapore Exchange Securities Trading Limited (SGX-ST) to refinance their existing debt.

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited#	ReNew Power Limited #
Kanak Renewables Limited#	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

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

The Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on 11 February 2019.

2 Purpose of Special Purpose Combined Financial Statements

The Combined financial statements are Special Purpose Financial Statements which have been prepared for purpose of the proposed issue of USD denominated notes by each member of the Restricted Group. These Special Purpose Combined financial statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined financial statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The Special Purpose Combined Financial Statements of the Restricted Group have been prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

Management of the Parent company has prepared the Special Purpose Combined Financial Statements which comprise the Combined Balance Sheet as at 31 March 2018, the Combined Statement of Profit and Loss including other comprehensive income, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2018, a summary of the significant accounting policies and other explanatory information.

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

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

All intercompany transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties of entities forming part of the Restricted Group but not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

The Special Purpose Combined Financial Statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone group of entities during the period presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

3.2 Basis of combination

The Special Purpose Combined Financial Statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities forming part of restricted group have been eliminated and profits or losses arising from intragroup transactions that are recognised in assets, such as inventory and fixed assets have been eliminated in full.

3.3 Summary of Significant Accounting Policies

a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

b) Fair value measurement

The entities forming part of the Restricted Group measure financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the entities forming part of the Restricted Group.

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

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

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

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

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the entities forming part of the Restricted Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 32 and 33)

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

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

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
· Disclosures for significant estimates and assumptions (Refer Note 38)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 33)
· Financial instruments (including those carried at amortised cost) (Refer Note 32 and 33)

c) Revenue recognition

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.

Sale of Power

Income from supply of power is recognized on the supply of units generated from the plant to the grid, as per the terms of the Power Purchase Agreements ("PPA") entered into with the customers.
The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of power, the Group considers the effects of variable consideration and consideration payable to the customer (if any).

(i) 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.

Rebates

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

(ii) Consideration payable to customers

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

Income from Liquidated damages and interest on advances

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

Dividend

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

Interest income

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

Income from government grants

Refer note (f) for accounting policy.

d) Foreign currencies

The Restricted Group Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the companies operate.

Transactions and balances

Transactions in foreign currencies are initially recorded by the entities forming part of Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

e) Income taxes

Current income tax

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

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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

Minimum Alternate Tax

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

f) Government grants

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

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

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

Generation based Incentive

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

g) Property, plant and equipment

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

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

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

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

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

Category	Years
Plant and equipment (wind and solar power projects)*	18-25
Furniture & fixture	10
Office equipment	5
Computers	3
Computer servers	6

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

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

i) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

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

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

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

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

k) Provisions

Provisions are recognised when the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

l) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

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

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

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of the Restricted Group recognize interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

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

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

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

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

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

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

Impairment of financial assets
In accordance with Ind AS 109, the entities forming part of the Restricted Group apply expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.
The entities forming part of the Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the entities forming part of the Restricted 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 entities forming part of the Restricted Group determine that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss (P&L).

Financial liabilities

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

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

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

Loans and borrowings

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

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

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

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Redeemable Non Cumulative Preference Shares and Preference Shares
Preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Compulsory Convertible Debentures (CCDs)

The entities forming part of the Restricted Group determine classification of compound financial instruments at initial recognition.

Basis the terms of these compound financial instruments, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. 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.

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

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.

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.

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

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

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

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

The entities forming part of the Restricted Group do not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The entities forming part of the Restricted Group make disclosures in the financial statement in cases of significant events.

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

q) Investment property
Investment properties comprise significant portions of freehold land that are held for capital appreciation. Investment properties are initially recognised at cost.

r) Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2018, notifying new accounting standard Ind AS 115, ‘Revenue from Contracts with Customers’ and certain amendments to existing standards. The new standard and amendments are applicable to the entities forming part of the Restricted Group from 1 April 2018.

(Amounts in INR millions, unless otherwise stated)

Ind AS 115 Revenue from Contracts with Customers

Revenue from contracts with customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entities forming part of the Restricted Group expect to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The entities forming part of the Restricted Group is evaluating the requirements of the new standard and the effect on the financial statements is being evaluated, thus impact is not known.
The entities forming part of the Restricted Group has evaluated the requirements of the new standard and the effect on the financial statements will be as mentioned below:-

Special Purpose Combined Balance Sheet as at 31 March 2018

Particulars	Notes	Reference	As at 31 March 2018	Ind AS 115 impact	Updated As at 31 March 2018
Non-current assets					
Property, plant and equipment	4	(a)	37,353	(118)	37,235
Prepayments	9	(a)	452	113	565
Current assets					
Prepayments	9	(a)	67	5	72

Special Purpose Combined Statement of Profit and Loss for year ended 31 March 2018

Particulars	Notes		For the year ended 31 March 2018	Ind AS 115 impact	Updated for the year ended 31 March 2018
Income:					
Revenue from operations	22	(a)	3,793	(2)	3,790
Expenses:					
Depreciation expense	25	(a)	1,112	(2)	1,110
Profit before tax			578	-	578
Profit for the year			524	-	524

a) Ind AS 115 impact - Consideration payable to customer

As per Purchase Power Agreement there was an amount which was required to be paid to discom before the project become operational, which was capitalized as part of project cost before the application of IND AS 115.
Amount paid to customer is in preview of guidance given under Consideration payable to customer under IND AS 115, accordingly any amount paid to customer is to be reduced from the transaction price and, therefore, of revenue. As the Power Purchase agreement is for 25 years the said amount paid to the customer is to be regarded as deferred expenditure and subsequently needs to be expensed off over the period of tenure.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The entities forming part of the Restricted Group are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. However, since the entities forming part of the Restricted Group's current practice is in line with the amendment, the entities forming part of the entities forming part of the Restricted Group does not expect any effect on its consolidated financial statements.

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

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land #	Plant and equipment	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost							
At 1 April 2016	33	10,349	-	-	-	10,382	189
Additions during the year @	1,214	3,245	-	-	0	4,459	12,047
Adjustment*	-	-	-	-	-	-	(14)
Capitalised during the year	-	-	-	-	-	-	(3,245)
At 31 March 2017	**1,247**	**13,594**	**-**	**-**	**0**	**14,841**	**8,977**
Additions during the year @	775	23,583	0	3	1	24,362	15,047
Capitalised during the year	-	-		-	-	-	(23,583)
At 31 March 2018	**2,022**	**37,177**	**0**	**3**	**1**	**39,203**	**441**
Depreciation							
At 1 April 2016	-	244	-	-	-	244	-
Charge for the year (refer note 25)	-	494	-	-	0	494	-
At 31 March 2017	**-**	**738**	**-**	**-**	**0**	**738**	**-**
Charge for the year (refer note 25)	-	1,112	0	0	0	1,112	-
At 31 March 2018	**-**	**1,850**	**0**	**0**	**0**	**1,850**	**-**
Net book value							
At 31 March 2017	**1,247**	**12,856**	**0**	**-**	**0**	**14,103**	**8,977**
At 31 March 2018	**2,022**	**35,327**	**0**	**3**	**1**	**37,353**	**441**

* The same is incurred on behalf of related parties, refer note 28

The title of land amounting to INR 188 as of 31st March 2018 (31 March 2017: INR:352) is not yet in the name of entities forming part of the Restricted Group and INR 681 as of 31st March 2018 (31 March 2017: INR: Nil) is held by way General Power of Attorney (GPA). The entities forming part of Restricted Group are in process of registration of title deeds of these freehold lands.

@ Capitalised Borrowing Costs
The amount of borrowing cost capitalised in the plant & equipment assets during the year ended 31 March 2018 is INR 242 (31 March 2017: INR 849). The rate used to determine the amount of borrowing cost eligible for capitalisation was the effective interest rate of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 37,794 (31 March 2017: INR 23,080) are subject to a pari passu first charge to respective lenders for term, loans from banks, financial institutions and buyers credit as disclosed in Note 14.

(Amounts in INR millions, unless otherwise stated)

5 Investment Property

	Amount
Cost	
At 1 April 2016	-
Additions during the year	1
At 31 March 2017	**1**
Additions during the year	-
At 31 March 2018	**1**

Net book value	
At 1 April 2016	**-**
At 31 March 2017	**1**
At 31 March 2018	**1**

Reconciliation of Fair value

	Amount
Opening balance as at 1 April 2016	**-**
Fair Value Difference	**-**
Purchases	**1**
At 31 March 2017	**1**
Fair Value Difference	**-**
Purchases	**-**
At 31 March 2018	**1**

(Amounts in INR millions, unless otherwise stated)

6 Financial assets	**As at 31 March 2018**	**As at 31 March 2017**
Non-current (unsecured, considered good unless stated otherwise)		
Loans		
Security deposits	-	3
Total	**-**	**3**
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	1	-
Total	**1**	**-**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 11)	30	0
Total	**30**	**0**
Current		
Investments at fair value through profit or loss (unsecured, considered good unless stated otherwise)		
Quoted Mutual Funds		
ICICI Prudential - Direct Growth - 345,541 units (31 March 2017 : Nil units)	88	-
Aditya Birla Sunlife - Cash Plus - Direct Growth- 582,750 units (31 March 2017 : Nil units)	163	-
HDFC Liquid Fund - Direct Plan - 30,062 units (31 March 2017 : Nil units)	103	-
Total	**354**	**-**
Aggregate book value of quoted investments	354	-
Aggregate market value of quoted investments	354	-
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Loan to fellow subsidiary - redeemable non cumulative preference shares (refer note 28)	1,200	-
Security deposits	3	-
Loans to related parties (refer note 28)	15	-
	1,218	**-**
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**1,218**	**-**
Others		
Government grants*		
- Generation based incentive receivable	44	142
Recoverable from related parties (refer note 28)	12	0
Unbilled revenue	441	299
Interest accrued on fixed deposits	33	40
Interest accrued on loans to related parties (refer note 28)	21	1
Total	**551**	**482**

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

Investments at fair value through profit & loss reflects investment in quoted mutual funds. Refer note 32 for determination of fair value.

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

(Amounts in INR millions, unless otherwise stated)

7 Deferred tax

Deferred tax assets (net)

Deferred tax relates to the following:		**As at 31 March 2018**	**As at 31 March 2017**
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market on derivative instrument as on transition date		35	142
	(a)	**35**	**142**
Deferred tax liabilities (gross)			
Gain on mark to market on derivative instrument as on transition date		14	-
	(b)	**14**	**-**
Deferred tax related to items recognised in equity :			
Deferred tax assets (gross)			
Compound Financial Instruments		-	
	(c)	**-**	**-**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		2,914	224
Compound Financial Instruments		22	-
Fair value gain on financial instruments at fair value through profit or loss		1	-
	(c)	2,937	224
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		13	-
Losses available for offsetting against future taxable income		2,902	167
Unused tax credits (MAT)		70	42
Compound Financial Instruments		98	-
Loss on mark to market of derivative instruments		-	-
Liability component of compound financial instruments		-	104
Others		0	-
	(d)	3,083	313
Deferred tax assets (net)	**(f) = (a) + (d) - (b) - (c)**	**167**	**231**

Deferred tax liabilities (net)

Deferred tax related to items recognised in OCI:		**As at 31 March 2018**	**As at 31 March 2017**
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		47	34
	(g)	**47**	**34**
Deferred tax liabilities (gross)			
Gain on mark to market of derivative instruments		2	-
	(h)	**2**	**-**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		342	68
Liability component of compound financial instruments		-	14
	(i)	**342**	**82**
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		0	3
Unused tax credit (MAT)		63	-
Losses available for offsetting against future taxable income		222	-
Preliminary expenses		-	0
	(j)	**285**	**3**
Deferred tax liabilities (net)	**(m) = (h) + (i) - (g) - (j)**	**12**	**45**

(Amounts in INR millions, unless otherwise stated)

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

	31 March 2018	31 March 2017
Accounting profit before income tax	**578**	**311**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax(18.50%) / Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	120	69
Deferred tax expense reported in the statement of profit and loss*	(79)	254
Income not chargeable to tax:		
Other income	-	(1)
Non-deductible expenses for tax purposes:		
Interest on compound financial instrument	7	-
Other non deductible expenses	0	0
Deductible expenses for tax purposes:		
Decrease in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	0	0
Brought forward losses / unabsorbed depreciation	-	(8)
Decrease in book profit on account of transition amount adjusted in other equity	-	(3)
At the effective income tax rate	**48**	**311**
Current tax expense reported in the statement of profit and loss	127	57
Deferred tax expense reported in the statement of profit and loss	(79)	254
	48	**311**

*** Where deferred tax expense relates to the following :**		
Compound Financial Instruments	15	(8)
Losses available for offsetting against future taxable Income	(2,418)	217
Fair value gain on financial instruments at fair value through profit or loss	1	-
Preliminary expenses not written off under tax laws	0	0
Difference in WDV as per books of accounts and tax laws	2,424	79
Operation and maintenance	(11)	7
Unused tax credit (MAT)	(89)	(41)
	(79)	**254**

Reconciliation of deferred tax assets (net):

	31 March 2018	31 March 2017
Opening balance of DTA/DTL (net)	**186**	**212**
Deferred tax income/(expense) during the period recognised in profit or loss	79	(254)
Deferred tax income/(expense) during the period recognised in OCI	(110)	130
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	98
Closing balance of DTA/DTL (net)	**155**	**186**

The entities forming part of Restricted Group has tax losses and unabsorbed depreciation which arose in India of INR 11,124 (31 March 2017: INR 341). The unabsorbed depreciation can be carried forward indefinately as per the Income Tax Act.

Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 528 (31 March 2017: INR 2). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 10,596 (31 March 2017: INR 338).

The entities forming part of Restricted Group has recognised deferred tax asset of INR 2,759 (31 March 2017: INR Nil) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

The expiry period of Minimum alternate tax recoverable as on 31 March 2018 is 14-15 years (31 March 2017 15 years).

8 Prepayments	As at 31 March 2018	As at 31 March 2017
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	14	21
Total	**14**	**21**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	23	17
	23	**17**

(Amounts in INR millions, unless otherwise stated)

9 Other assets	**As at 31 March 2018**	**As at 31 March 2017**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	289	979
Advances recoverable	34	73
Advance income tax (net of income tax provisions)	107	61
Security deposits	5	0
Maharashtra VAT recoverable	17	26
Total	**452**	**1,139**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	67	25
Balances with Government authorities	0	0
Total	**67**	**25**

10 Trade receivables	**As at 31 March 2018**	**As at 31 March 2017**
Considered good -Unsecured	920	518
Considered good -Secured	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	920	518
Less: Provision for doubtful debts	-	-
Total	**920**	**518**

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

Trade receivables are non-interest bearing and are generally on terms of 7-60 days.

11 Cash and cash equivalents	**As at 31 March 2018**	**As at 31 March 2017**
Cash and cash equivalents		
Balance with bank		
- On current accounts	399	957
- Deposits with original maturity of less than 3 months #	60	1,465
	459	**2,422**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	2,313	562
- Remaining maturity for more than twelve months #	30	0
	2,343	**562**
Less: amount disclosed under financial assets (others) (Note 6)	(30)	(0)
Total	**2,313**	**562**

*Fixed deposits of INR 773 (31 March 2017: INR 832) 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 8 to 1828 days and carry an interest rate of 4.75% to 8.25% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

12 Share capital

The special purpose combined financial statement do not represent a legal entity structure. The share capital of Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2016	15,165,800	152
Increase during the year	10,013,090	100
At 31 March 2017	25,178,890	252
Increase during the year	4,120,000	41
At 31 March 2018	**29,298,890**	**293**
0.0001% redeemable non cumulative preference shares of INR 10 each		
At 1 April 2016	2,000,000	20
At 31 March 2017	2,000,000	20
At 31 March 2018	**2,000,000**	**20**
0.0001% compulsory convertible preference shares of INR 10 each		
At 1 April 2016	23,825,000	238
Increase during the year	12,236,950	122
At 31 March 2017	36,061,950	360
Increase during the year	4,200,000	42
At 31 March 2018	**40,261,950**	**402**

Issued share capital	Number of shares	Amount
12A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2016	11,804,000	118
Shares issued during the year	10,010,975	100
At 31 March 2017	21,814,975	218
Shares issued during the year	5,101,996	51
At 31 March 2018	**26,916,971**	**269**

Terms/rights attached to equity shares

The entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the entities forming part of Restricted Group will pay dividends in Indian rupees.
In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective entity, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective entity.

12B Equity component of compulsorily convertible debentures (CCD)

8% Compulsorily convertible debentures (CCDs) of INR 105 each	Number of debentures	Total proceeds	Liability component (refer note 14)	Equity component*
At 1 April 2016	-	-	-	-
Debentures issued during the year	5,903,630	620	317	401
Accretion during the year	-	-	20	-
At 31 March 2017	5,903,630	620	337	401
Accretion during the year	-	-	39	-
At 31 March 2018	**5,903,630**	**620**	**376**	**401**

Terms of conversion of CCDs
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the JVA at conversion ratio of 1 equity shares : 1 preference shares.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights.

(*Adjusted for deferred tax at inception)

12C Equity component of preference shares:

0.0001% redeemable non cumulative preference shares (RNCPS) of INR 10 each (including share premium of INR 90 each)	Number of shares	Total proceeds	Liability component (refer note 14)	Equity component*
At 1 April 2016	1,881,220	188	36	140
Accretion during the year			5	-
At 31 March 2017	1,881,220	188	41	140
Accretion during the year	-	-	5	-
At 31 March 2018	**1,881,220**	**188**	**46**	**140**

(*Adjusted for deferred tax at inception)

(Amounts in INR millions, unless otherwise stated)

0.0001% compulsorily convertible preference shares (CCPS) of INR 10 each	**Number of shares**	**Amount**
At 1 April 2016	22,215,970	222
Shares issued during the year	11,384,825	114
At 31 March 2017	33,600,795	336
Shares issued during the year	4,100,000	41
At 31 March 2018	**37,700,795**	**377**

At 31 March 2016	**362**
At 31 March 2017	**476**
At 31 March 2018	**517**

Terms/rights attached to preference shares

0.0001% redeemable non cumulative preference shares (RNCPS)

ReNew Wind Energy (Devgarh) Private Limited has issued 1,881,220 RNCPS in FY 2014-15 of Rs.10 each fully paid-up at a premium of Rs. 90 per share. RNCPS carry non cumulative dividend @ 0.0001%. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting and conversion rights. RNCPS shall be redeemed at Rs. 100 per share on March 31, 2030 or as may be determined by the Board in one or more tranches and agreed by the preference shareholder.

In the event of any Liquidation of the Company, the RNCPS shall be entitled to receive an amount that equal to the Face value of preference share and such Dividend in arrear, if any, declared and remained unpaid. The RNCPS shall also have right to participate in surplus assets & profits of the respective entity, which may remain after the entire capital (both equity share capital and Preference share capital) of the respective entity has been repaid, to the extent of Rs 90 per share.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)

ReNew Wind Energy (Rajasthan 3) Private Limited has issued 16,248,850 0.0001% CCPS during F.Y. 2014-15 and 3,542,120 0.0001% CCPS during F.Y. 2015-16, ReNew Saur Urja Private Limited has issued 4,100,000 0.0001% CCPS during F.Y. 2017-18 and 6,549,000 0.0001% CCPS during F.Y. 2016-17 and ReNew Solar Energy (Telangana) Private Limited has issued 48,35,825 0.0001% CCPS during FY 2016-17 and 16,25,000 0.0001% CCPS during FY 2015-16.
CCPS are having face value of INR 10 each fully paid-up at a premium of INR 90 per share.
CCPS carry non cumulative dividend @ 0.0001%. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable.
CCPS issued by ReNew Wind Energy (Rajasthan 3) Private Limited and ReNew Saur Urja Private Limited would be compulsorily converted into Equity Shares of the Company at the price of INR 100 (Rupees Hundred) per share on March 31, 2030 and on March 31, 2035 respectively in the ratio of 1 equity shares : 1 preference shares.

CCPS issued by ReNew Solar Energy (Telangana) Private Limited would be converted into Equity shares anytime before the mandatory conversion date at the option of the holder. However, the same shall automatically stand converted into Equity shares of the Company at the price of Rs.100/-(Rupees Hundred) per share on 20th anniversary in the ratio of 0.95 equity shares:1 preference shares.

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

12D Shares held by the holding company

	31 March 2018		**31 March 2017**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
ReNew Solar Power Private Limited*				
Equity shares of INR 10 each	11,751,823	118	6,649,827	66
0.0001% compulsorily convertible preference shares of INR 10 each	17,909,825	179	13,809,825	138
ReNew Power Limited*				
Equity shares of INR 10 each	8,949,040	89	8,949,000	89
0.0001% redeemable non cumulative preference shares of INR 10 each	1,881,220	19	1,881,220	19
0.0001% compulsorily convertible preference shares of INR 10 each	19,790,970	198	19,790,970	198
Suzlon Energy Limited, holding company of Rajat Renewables Ltd and Kanak Renewables Ltd (till January 30, 2018)				
Equity shares of INR 10 each	-	-	40	0

*for holding company details refer note 28.

(Amounts in INR millions, unless otherwise stated)

12E Details of shareholders holding more than 5% shares in the Restricted Group

	31 March 2018		31 March 2017	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
ReNew Solar Power Private Limited*	11,751,823	43.66%	6,649,827	30.48%
ReNew Power Limited*	8,949,040	33.25%	8,949,000	41.02%
Hareon Power Singapore Private Limited	6,216,108	23.09%	6,216,108	28.49%
0.0001% redeemable non cumulative preference shares of INR 10 each				
ReNew Power Limited*	1,881,220	100.00%	1,881,220	100.00%
0.0001% compulsorily convertible preference shares of INR 10 each				
ReNew Solar Power Private Limited*	17,909,825	47.51%	13,809,825	41.10%
ReNew Power Limited*	19,790,970	52.49%	19,790,970	58.90%

As per the records of the entities forming part of the Restricted Group, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.
*for holding company details refer note 28.

13 Other equity

13A Share application money pending allotment

At 1 April 2016	50
Share application money received	-
Equity shares issued during the year	-
Preference shares issued during the year	(50)
At 31 March 2017	-
Share application money received	920
Preference shares issued during the year	(510)
Equity shares issued during the year	(410)
At 31 March 2018	**-**

13B Securities premium

At 1 April 2016	3,041
Premium on issue of equity shares during the year	901
Premium on issue of RNCPS during the year	1,025
Amount utilized against for issue of shares	(2)
At 31 March 2017	**4,965**
Premium on issue of equity shares during the year	459
Premium on issue of RNCPS during the year	369
Amount utilized against for issue of shares	(1)
At 31 March 2018	**5,792**

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.

13C Hedging Reserve

At 1 April 2016	(103)
Movement in hedge reserve (refer note 30)	(291)
At 31 March 2017	**(394)**
Movement in hedge reserve (refer note 30)	205
At 31 March 2018	**(189)**

Nature and purpose
The entities forming part of the Restricted Group use 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 entities forming part of the Restricted Group use foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

13D Retained earnings

At 1 April 2016	(310)
Loss for the year	0
At 31 March 2017	**(310)**
Profit for the year	524
At 31 March 2018	**214**

(Amounts in INR millions, unless otherwise stated)

14 Long-term borrowings	Nominal interest rate %	Maturity	Non-current		Current	
			31 March 2018	31 March 2017	31 March 2018	31 March 2017
Compulsorily Convertible Debentures (unsecured) (refer note 12B)	8.00%	August 2036 - September 2036	376	337	-	-
Term loan from bank (secured)	10.60% - 11.25% 3 Months Libor + 3% 6 Months Libor + 4.23%	September2026- June 2035	10,582	8,339	504	302
Term loan from financial institutions (secured)	10.60%	July 2031	367	-	14	-
Buyer's / Supplier's credit (secured)	2.02% - 7.56% 6MLR + 62 - 83 BPS	December 2018 - December 2019	4,451	6,283	4,108	-
Liability component of preference shares (secured) (refer note 12C)	0.0001%	March 2030	46	41	-	-
Total long-term borrowings			**15,822**	**15,000**	**4,626**	**302**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 19)			-	-	(4,626)	(302)
			15,822	**15,000**	**-**	**-**

Notes:

(i) 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.

(ii) Term loan from banks are secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the entities forming part of the Restricted Group.

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

(iv) Buyer's/ Supplier's credit are secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the entities forming part of the Restricted Group. Creation of charge by way of mortgage and assignment is under process.

(v) All the loans are covered by corporate guarantee of ReNew Power Limited.

(vi) ReNew Solar Power Private Limited has pledged 9,157,526 (31 March 2017: 6,474,926) equity shares and 15,210,825 (31 March 2017: 11,310,825) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(vii) ReNew Power Limited has pledged 8,948,998 (31 March 2017: 8,948,998) equity shares and 18,130,050 (31 March 2017: 18,130,070) preference shares of the the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

15 Other non-current liabilities	**As at 31 March 2018**	**As at 31 March 2017**
Provision for operation and maintenance equalisation	196	163
Total	**196**	**163**

16 Short term borrowings	**As at 31 March 2018**	**As at 31 March 2017**
Acceptances (unsecured)	660	506
Loan from related party (unsecured) (refer note 30)	5,623	2,268
Loan from body corporate	0	-
Buyer's / Supplier's credit (secured)	2,600	1,175
Total	**8,883**	**3,949**

Acceptances (unsecured)
Acceptances from Yes Bank are secured by first pari passu charge over all present and future current assets and movable fixed assets of the entities forming part of the Restricted Group of respective projects for which such acceptances are taken.
Discount rate on acceptances ranges from 7.60% - 9.00% p.a.

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

Buyer's / Supplier's credit (secured)

Buyer's/supplier's credit carries an interest rate of 2-3 Month Libor +85-125 bps. to 6 Month Libor +23-125 bps. is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the entities forming part of the Restricted Group, deposits of post dated cheques in accordance with repayments schedule of principal loan and interest.

Loan from body corporates (unsecured)
No interest is payable on the loan and shall be repaid as per clause 7.1.6 of the share purchase agreement dated 3 August 2016.

17 Trade payables	**As at 31 March 2018**	**As at 31 March 2017**
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 36)	-	-
Others	524	285
Total	**524**	**285**

18 Derivative instruments	**As at 31 March 2018**	**As at 31 March 2017**
Financial liabilities at fair value through OCI (current)		
Cash flow hedges		
Derivative instruments	713	1,031
Total	**713**	**1,031**

(Amounts in INR millions, unless otherwise stated)

19 Other current financial liabilities	As at 31 March 2018	As at 31 March 2017
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 14)	4,626	302
Others		
Interest accrued but not due on borrowings	638	340
Capital creditors	5,847	1,986
Total	**11,111**	**2,628**

20 Other current liabilities	As at 31 March 2018	As at 31 March 2017
Provision for operation and maintenance equalisation	31	8
Other payables		
TDS payable	56	34
Service tax payable	-	0
WCT payable	-	1
GST payable	0	-
Advance from customers	0	-
Total	**87**	**43**

21 Short term provisions	As at 31 March 2018	As at 31 March 2017
Income tax provision (net of advance tax)	12	1
Total	**12**	**1**

(Amounts in INR millions, unless otherwise stated)

22 Revenue from operations

	For the year ended 31 March 2018	For the year ended 31 March 2017
Income from operation		
Sale of power	3,793	1,784
Total	**3,793**	**1,784**

23 Other income

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income		
- on fixed deposit with banks	123	115
- on loan to related parties (refer note 28)	56	1
- others	24	39
Government grant		
- generation based incentive	130	144
Non-recurring other income:		
Damage claim for loss of revenue (refer note 40)	-	56
Insurance claim	3	13
Foreign exchange gain	-	20
Fair value change of mutual fund (including realised gain)	4	-
Miscellaneous income	11	2
Total	**351**	**390**

24 Other expenses

	For the year ended 31 March 2018	For the year ended 31 March 2017
Legal and professional fees	50	27
Corporate social responsibility	2	1
Travelling and conveyance	11	2
Rent	0	0
Printing and stationery	0	0
Management shared services	167	68
Rates and taxes	7	7
Payment to auditors (refer details below)	1	1
Insurance	16	10
Operation and maintenance	201	133
Repair and maintenance		
- plant and machinery	1	2
Security charges	14	4
Communication costs	0	0
Loss on ineffective portion on hedges	5	-
Foreign exchange loss (net)	26	-
Penalty for delay in project commissioning	4	-
Hedging Loss	-	12
Miscellaneous expenses	7	16
	512	**283**

Payment to Auditors

	For the year ended 31 March 2018	For the year ended 31 March 2017
As auditor:		
Audit fee	1	1
Reimbursement of expenses	0	0
	1	**1**

(Amounts in INR millions, unless otherwise stated)

25 Depreciation expense	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Depreciation of property, plant & equipment (refer note 4)	1,112	494
Total	**1,112**	**494**

26 Finance costs	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Interest expense on		
- term loans	1,117	947
- loan from related party (refer note 28)	207	85
- acceptance	2	-
- buyer's/supplier's credit	564	19
- liability component of compulsorily convertible debentures	31	-
- liability component of redeemable non-cumulative preference shares	5	5
- others	-	0
Bank charges	16	14
Amortization of option premium	-	16
Total	**1,942**	**1,086**

(Amounts in INR millions, unless otherwise stated)

27 Earnings per share (EPS)

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

28 Related Party Disclosures

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

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited#	Suzlon Energy Limited
Kanak Renewables Limited#	Suzlon Energy Limited
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

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

II. Ultimate Holding Company

GS Wyvern Holdings Limited (till 22nd March 2018)

III. Key management personnel (KMPs) :

Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Limited.
Mr. Ravi Seth, Chief Financial Officer*
Mr. Parag Sharma, Chief Operating Officer and the Head of the Solar Business*
Mr. Balram Mehta, President of the Wind Business*
Mr. Ravi Parmeshwar, Chief Human Resource Officer*
Mr. Ashish Jain, Company Secretary and Compliance Officer*

* Designated as KMPs during the current year.

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

Narmada Wind Energy Private Limited
ReNew Akshay Urja Limited
ReNew Solar Energy (Rajasthan) Private Limited
ReNew Mega Solar Power Private Limited
ReNew Power Services Private Limited
ReNew Solar Energy (Karnataka) Private Limited
ReNew Solar Energy Private Limited
ReNew Solar Services Private Limited
ReNew Wind Energy (AP 3) Private Limited
ReNew Wind Energy (AP Five) Private Limited
ReNew Wind Energy (AP) Private Limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Wind Energy MP Private Limited
ReNew Wind Energy (Karnataka 3) Private Limited
ReNew Wind Energy (MP Four) Private Limited
ReNew Agni Power Private Limited
ReNew Wind Energy (Karnataka) Private Limited
ReNew Wind Energy (Maharashtra) Private Limited
ReNew Wind Energy (MP Three) Private Limited
ReNew Wind Energy (MP Two) Private Limited
ReNew Wind Energy (Orissa) Private Limited
ReNew Wind Energy (Rajasthan Four) Private Limited
ReNew Wind Energy (Rajasthan) Private Limited
ReNew Wind Energy (Rajkot) Private Limited
ReNew Wind Energy (Shivpur) Private Limited
ReNew Wind Energy (TN 2) Private Limited
ReNew Wind Energy (Varekarwadi) Private Limited
ReNew Wind Energy (Welturi) Private Limited
Shruti Power Private Limited
ReNew Wind Energy (Karnataka 4) Private Limited
Bhumi Prakash Private Limited
Tarun Kiran Bhoomi Private Limited

V. Enterprise with significant influence

Name of entity	Enterprise with significant influence
ReNew Solar Energy (Telangana) Private Limited	Hareon Solar Singapore Private Limited

b) Details of transactions with holding Company:

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Unsecured loan given	930	680	-	-
Repayment of unsecured loan	915	680	-	-
Unsecured loan received	106	601	2,491	3,242
Unsecured loan repaid	656	139	932	2,642

(Amounts in INR millions, unless otherwise stated)

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
Expenses incurred by holding	17	-	9	3
Payment on behalf of holding company	-	0	-	-
Expenses incurred on behalf of holding company	9	16	2	6
Purchase EPC*	-	-	1,903	702
Operation & Maintenance Services	-	-	8	-
Share application money received	0	-	920	-
Reimbursement of expenses	60	6	-	-
Purchase of Services# (Management Shared Service)	262	67	-	-
Issue of equity shares (including security premium)	0	-	510	379
Issue of compulsory convertible preference shares (including	-	-	410	1,138
Interest expense on unsecured loan	72	90	105	57
Interest income on unsecured loan	57	1	-	-

*Including Provision of INR 234.

ReNew Power Limited, the holding Company and ReNew Power Services private Limited, a fellow subsidiary have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the these companies is most appropriate basis for recovering of such common expenses.

c) Details of outstanding balances with holding Company:

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Unsecured loan payable	804	1,339	2,194	650
Unsecured loan receivable	15	-	-	-
Trade payables	137	103	17	0
Capital creditor*	348	284	1,207	468
Interest income accrued on unsecured loan	22	1	-	-
Interest expense accrued on unsecured loan	226	160	147	53
Advance to Related Parties	-	0	-	0
Recoverable from related parties	9	-	2	-

*Including Provision of INR 234.

d) Details of transactions with fellow subsidiaries:

i) Loans taken & repayment thereof and interest expense thereon

Particulars	For the year ended 31 March 2018			For the year ended 31 March 2017		
	Unsecured loan received	Unsecured loan repaid	Interest expense on unsecured loan	Unsecured loan received	Unsecured loan repaid	Interest expense on unsecured loan
ReNew Wind Energy (Karnataka) Private Limited	-	213	1	1,897	1,892	-
ReNew Solar Energy (Karnataka) Private Limited	-	-	-	213	-	2
ReNew Wind Energy (Shivpur) Private Limited	-	-	-	980	980	-
ReNew Wind Energy (Rajkot) Private Limited	940	50	58	-	-	-
ReNew Wind Energy (AP 3) Private Limited	430	425	10	-	-	-
ReNew Wind Energy (MP Two) Private Limited	-	-	5	321	260	1
Shruti Power Private Limited	1,664	-	15	-	-	-

Restricted Group
Notes to Special Purpose Combined financial statements for the year ended 31 March 2018
(Amounts in INR millions, unless otherwise stated)

ii) Expenses incurred and payment made on behalf and purchase of land

Particulars	For the year ended 31 March 2018			For the year ended 31 March 2017		
	Expenses incurred by related party	Expenses incurred on behalf of related party	Purchase of land	Expenses incurred by related party	Expenses incurred on behalf of related party	Purchase of land
ReNew Wind Energy (Varekarwadi) Private Limited	-	0	-	-	-	-
ReNew Akshay Urja Limited	-	0	-	-	-	-
ReNew Solar Energy (Karnataka) Private Limited	0	-	-	-	-	-
ReNew Solar Services Private Limited	0	-	-	-	-	-
ReNew Wind Energy (AP) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Karnataka) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Maharashtra) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (MP Three) Private Limited	-	0	-	-	-	-
ReNew Wind Energy (MP Two) Private Limited	-	-	-	5	-	-
ReNew Wind Energy (Orissa) Private Limited	-	-	-	14	-	-
ReNew Wind Energy (Rajasthan Four) Private Limited	-	1	-	-	-	-
ReNew Wind Energy (Rajasthan) Private Limited	-	0	-	-	-	-
ReNew Wind Energy (Rajkot) Private Limited	1	-	-	-	-	-
ReNew Wind Energy (Shivpur) Private Limited	-	0	-	-	-	-
ReNew Wind Energy (TN 2) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Welturi) Private Limited	0	-	-	-	-	-
Narmada Wind Energy Private Limited	-	0	-	-	-	-
ReNew Solar Energy Private Limited	4	0	-	12	-	-
ReNew Mega Solar Power Private Limited	0	0	-	-	-	-
ReNew Wind Energy (Karnataka 4) Private Limited	-	0	-	-	-	-
Bhumi Prakash Private Limited	0	-	-	-	-	-
ReNew Power Services Private Limited	1	1	-	-	-	-

iii) Investment in equity shares by related party and transfer of equity shares

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Equity investment made by related party	Sale of equity investment made by related party	Equity investment made in related party	Sale of equity investment made in related party
Shruti Power Private Limited	0	0	-	-

iv) Purchase of management shared services, engineering procurement and construction services and operation and maintenance services

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Management shared services	Reimbursement of expenses	Management shared services	Reimbursement of expenses
ReNew Power Services Private Limited	295	1	-	-
ReNew Solar Energy Private Limited	-	-	1	-

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	EPC Purchase	Operation & maintenance	EPC Purchase	Operation & maintenance
ReNew Solar Energy Private Limited	1,119	26	1,199	-
ReNew Wind Energy (Jamb) Private Limited	367	-	-	-
ReNew Power Services Private Limited	224	-	-	-

v) Purchase of fixed assets

Particulars	31 March 2018	31 March 2017
ReNew Solar Energy Private Limited	-	2

vi) Share application money given, refunded

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Share Application Money given	Share Application Money refunded	Share Application Money given	Share Application Money refunded
ReNew Power Services Private Limited	1,200	-	-	-

(Amounts in INR millions, unless otherwise stated)

e) Details of outstanding balances with fellow subsidiaries:

i) Loan payable & interest expense payable

Particulars	31 March 2018		31 March 2017	
	Loan payable	Interest payable	Loan payable	Interest payable
ReNew Wind Energy (Karnataka) Private Limited	5	3	5	-
ReNew Wind Energy (Rajkot) Private Limited	890	53	-	-
ReNew Wind Energy (AP 3) Private Limited	5	4	-	-
ReNew Wind Energy (MP Two) Private Limited	61	5	61	1
ReNew Solar Energy Karnataka Private Limited	-	-	213	2
Shruti Power Private Limited	1,664	14	-	-

ii) Investment in redeemable non cumulative preference shares

Particulars	31 March 2018	31 March 2017
ReNew Power Services Private Limited	12,000	-

iii) Trade payable, capital creditor and recoverable from related parties

Particulars	31 March 2018			31 March 2017		
	Trade payable	Capital creditor	Recoverable from related parties	Trade payable	Capital creditor	Recoverable from related parties
ReNew Wind Energy (Varekarwadi) Private Limited	-	-	0	-	-	-
ReNew Akshay Urja Limited	-	-	0	-	-	-
ReNew Solar Energy (Karnataka) Private Limited	0	-	-	-	-	-
ReNew Solar Services Private Limited	0	-	-	-	-	-
ReNew Wind Energy (AP) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Jamb) Private Limited	-	261	0	-	-	0
ReNew Wind Energy (Karnataka) Private Limited	0	-	-	-	-	-
ReNew Wind Energy (Maharashtra) Private Limited	0	-	-	-	69	-
ReNew Wind Energy (MP Three) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (MP Two) Private Limited	-	5	-	-	-	-
ReNew Wind Energy (Rajasthan Four) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Rajasthan) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Rajkot) Private Limited	1	-	-	-	-	-
ReNew Wind Energy (Shivpur) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (TN 2) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Welturi) Private Limited	0	-	-	-	-	-
Renew Wind Energy MP Private Limited	135	-	-	135	5	
Narmada Wind Energy Private Limited	-	-	0	-	-	-
ReNew Solar Energy Private Limited	27	1,133	0	-	829	
ReNew Mega Solar Power Private Limited	0	-	0	-	-	-
ReNew Wind Energy (Karnataka 4) Private Limited	-	-	0	-	-	-
Bhumi Prakash Private Limited	0	-	-	-	-	-
ReNew Power Services Private Limited	54	440	1	-	-	-

iv) Capital advance

Particulars	31 March 2018	31 March 2017
ReNew Wind Energy (Orissa) Private Limited	14	14

f) Compensation of Key management personnel

Remuneration to the key managerial personnel is paid by the holding Company and fellow subsidiary (ReNew Power Services Private Limited) of entities forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Limited, holding company.

h) ReNew Solar Power Private Limited has pledged 9,157,526 (31 March 2017: 6,474,926) equity shares and 15,210,825 (31 March 2017: 11,310,825) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

i) ReNew Power Limited has pledged 8,948,998 (31 March 2017: 8,948,998) equity shares and 18,130,050 (31 March 2017: 18,130,070) preference shares of the the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

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

(Amounts in INR millions, unless otherwise stated)

29 Segment Information

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

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 2018			For the year ended 31 March 2017		
	Wind Power	**Solar Power**	**Total**	**Wind Power**	**Solar Power**	**Total**
Sale of power and sale of renewable energy certificates	1,496	2,297	3,793	1,678	106	1,784
Revenues from operations	**1,496**	**2,297**	**3,793**	**1,678**	**106**	**1,784**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**1,496**	**2,297**	**3,793**	**1,678**	**106** -	**1,784**
Interest income	119	85	204	99	56	155
Other Income (other than interest income)	137	10	147	230	5	235
Total income	**1,752**	**2,392**	**4,144**	**2,007**	**167**	**2,174**
Less: Other expenses	231	281	512	240	43	283
Earning before interest, tax, depreciation and amortization (EBITDA)	**1,521**	**2,111**	**3,632**	**1,767**	**124**	**1,891**

The Revenues from three major customers amounts to INR 2,717 (31 March 2017: INR 1,678) each of which contributes more than 10% of the total revenue of the Restricted Group. Out of these, revenues from Wind Segment amounts to INR 1,496 (31 March 2017: INR 1,678) and Solar Segment amounts to INR 1,221 (31 March 2017: Nil).

(Amounts in INR millions, unless otherwise stated)

30 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

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

- Buyers credit
Pay fixed INR and receive USD and pay fixed interest at 2.02% to 7.80% p.a. and receive a variable interest at 6 month LIBOR plus 0.23% p.a. to 6 month LIBOR plus 1.25% p.a. on the notional amount.

-Loan
Pay fixed INR and receive USD and pay fixed interest at 10.61% to 13.01% p.a. and receive a variable interest at 3 month LIBOR plus 3.00% - 3.65% to 6 months LIBOR plus 3.85% p.a. on the notional amount.

The cash flow hedges through CCS of USD 29,563,540, IRS of USD 216,146,132 and forward of USD 170,496,581 outstanding at the year ended 31 March 2018 were assessed to be highly effective and a mark to market loss of INR 254 (31 March 2017: INR 567) with a deferred tax asset of INR 66 (31 March 2017: INR 174), is included in OCI.

Foreign currency and Interest rate risk

Forward contracts and swaps measured at fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principal payments in

	31 March 2018		31 March 2017	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Current financial assets				
Derivative contracts designated as hedging instruments	1	-	-	-
Current financial liabilities				
Derivative contracts designated as hedging instruments	-	713	-	1,031

Hedging reserve movement

	As at 31 March 2018	As at 31 March 2017
Balance at the beginning of the year	**(394)**	**(103)**
Gain/(loss) recognised on cash flow hedges	(200)	(1,266)
Income tax relating to gain/loss recognized on cash flow hedges	24	391
Gain/(loss) reclassified to profit or loss	29	195
Income tax relating to gain/loss reclassified to profit or loss	(8)	(60)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	486	653
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(126)	(204)
Balance at the end of the year	**(189)**	**(394)**

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

(i) Contingent liabilities
The entities forming part of the Restricted Group have contingent liability of INR 22 (31 March 2017: INR Nil) on account of liquidity damages (which is under

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2018, the entities forming part of the Restricted Group have capital commitment (net of advances) pertaining to commissioning of solar energy projects of INR 107 (31 March 2017: 3,672)

(Amounts in INR millions, unless otherwise stated)

32 Fair values

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

	31 March 2018		31 March 2017	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	1,218	1,218	3	3
Bank deposits with remaining maturity for more than twelve months	30	30	0	0
Investments-current, quoted mutual funds	354	354	-	-
Derivative instruments	1	1	-	-
Trade receivables	920	920	518	518
Cash and cash equivalent	459	459	2,422	2,422
Bank balances other than cash and cash equivalent	2,313	2,313	562	562
Other current financial assets	551	551	482	482
Financial liabilities				
Long term borrowings	15,822	15,822	15,000	15,000
Derivative instruments	713	713	1,031	1,031
Short-term borrowings	8,883	8,883	3,949	3,949
Trade payables	524	524	285	285
Other current financial liabilities	11,111	11,111	2,628	2,628

The management of the entities forming part of the Restricted Group assessed that current investments, cash and cash equivalents, trade receivables, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

i The fair values of the entities forming part of the Restricted Group's term loans from banks and financial institutions 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 year. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.

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

iii The entities forming part of the Restricted 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.

33 Fair value hierarchy

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

The following table provides the fair value measurement hierarchy of the assets and liabilities of the entities forming part of the Restricted Group :-

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

	Level of fair value measurement	31 March 2018		31 March 2017	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at fair value through profit & loss					
Financial Assets (Current)					
Investments (quoted mutual funds)	Level 1	354	354	-	-
		354	**354**	**-**	**-**
Financial assets measured at amortised cost					
Financial Assets (Non current): Others					
Security deposits	Level 2	-	-	3	3
Bank deposits with remaining maturity for more than twelve months	Level 2	30	30	0	0
Share application money pending allotment	Level 2	-	-	-	-
Total		**30**	**30**	**3**	**3**
Financial Assets (current): Loans					
Loan to fellow subsidiary - redeemable non cumulative preference shares	Level 2	1,200	1,200	-	-
Security deposits	Level 2	3	3	-	-
Loans to related parties	Level 2	15	15	-	-
Total		**1,218**	**1,218**	**-**	**-**
Financial Assets (Current): Others					
Generation based incentive receivable	Level 2	44	44	142	142
Recoverable from related parties	Level 2	12	12	0	0
Unbilled revenue	Level 2	441	441	299	299
Interest accrued on fixed deposits	Level 2	33	33	40	40
Interest accrued on loans to related parties	Level 2	21	21	1	1
Others current financial assets	Level 2	-	-	-	-
Total		**551**	**551**	**482**	**482**
Trade receivables	Level 2	**920**	**920**	**518**	**518**
Cash and bank balances					
Cash and cash equivalent	Level 2	459	459	2,422	2,422
Bank balances other than cash and cash equivalent	Level 2	2,313	2,313	562	562
Total		**2,772**	**2,772**	**2,984**	**2,984**
Measured at fair value through other comprehensive income					
Derivative instruments	Level 2	1	1	-	-
Total		**1**	**1**	**-**	**-**

(Amounts in INR millions, unless otherwise stated)

Financial liabilities measured at amortised cost					
Long-term borrowings					
Compulsorily Convertible Debentures (unsecured)	Level 2	376	376	337	337
Liability component of preference shares	Level 2	46	46	41	41
Buyer's / Supplier's credit	Level 2	4,451	4,451	6,283	6,283
Term loan in Indian rupees from banks	Level 2	10,582	10,582	8,339	8,339
Term loan in Indian rupees from financial institution	Level 2	367	367	-	-
Total		**15,822**	**15,822**	**15,000**	**15,000**
Short-term borrowings	Level 2	**8,883**	**8,883**	**3,949**	**3,949**
Trade payables	Level 2	**524**	**524**	**285**	**285**
Financial liabilities (Current): Others					
Current maturities of long term borrowings	Level 2	4,626	4,626	302	302
Interest accrued but not due on borrowings	Level 2	638	638	340	340
Capital creditors	Level 2	5,847	5,847	1,986	1,986
Total		**11,111**	**11,111**	**2,628**	**2,628**
Measured at fair value through Other comprehensive income					
Derivative instruments	Level 2	713	713	1,031	1,031

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets measured at fair value through profit & loss			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Financial assets measured at fair value through other comprehensive income			
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 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	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
Trade receivables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Generation based incentive receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Insurance claim receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities measured at fair value through other comprehensive income			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities measured at amortised cost			
Compulsorily Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Liability component of preference shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Other payable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

34 Financial Risk Management objectives and policies

"The entities forming part of the Restricted Group's principal financial liabilities comprise loans and borrowings, trade payables and other financial liabilities.
The main purpose of these financial liabilities is to finance the entities forming part of the Restricted Group's operations and to support its operations. The Financial assets of entities forming part of the Restricted Group include loans, trade and other receivables, and cash & cash equivalents and other financial assets.

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

Market Risk

Market risk is the risk that the entities forming part of the Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.
The sensitivity analyses in the following sections relate to the position as at 31 March 2018. 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 2018.

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 entities forming part of the Restricted Group are exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. In case of external commercial borrowings ("ECB") and buyers credit the entities forming part of the Restricted Group believe that the exposure of the entities forming part 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 entities forming part of the entities forming part of the Restricted Group also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

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

	31 March 2018		**31 March 2017**	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+ 13	+/(-)50	(-)/+ 0
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	(-)/+ 10	+/(-)50	(-)/+ 0

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 entities forming part of the Restricted Group have foreign currency exposures as on 31 March 2018. In case of foreign currency exposures, the entities forming part of the Restricted Group monitor that the hedges do not exceed the underlying foreign currency exposure. The entities forming part of the Restricted Group do not undertake any speculative transactions.

Foreign currency sensitivity

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

	31 March 2018		**31 March 2017**	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(22)	22	(24)	24

Credit Risk

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

Further the entities forming part of the Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.
The maximum credit exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amount of all the financial assets.

Trade Receivables

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

The entities forming part of the Restricted Group have state utilities/government and private entities as it's customers. State utilities/government entities have high credit worthiness, therefore, the entities forming part of the Restricted Group do not see any risk related to credit. The credit quality of private customers is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

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

(Amounts in INR millions, unless otherwise stated)

Liquidity Risk

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

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

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

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Compulsorily convertible debentures	-	-	-	-	376	376
Redeemable non cumulative preference shares	-	-	-	-	46	46
Term loan from banks *	-	-	-	9,160	9,579	18,739
Term loan from financial institutions*	-	-	-	220	438	658
Buyer's credit	-	-	-	4,451	-	4,451
Short term borrowings						
Loans from related party	5,623	-	-	-	-	5,623
Acceptances	-	660	-	-	-	660
Buyer's / Supplier's credit	-	1,931	669	-	-	2,600
Other financial liabilities						
Current maturities of long term borrowings*	-	321	5,664	-	-	5,985
Interest accrued but not due on borrowings	451	-	187	-	-	638
Capital Creditors	3,393	2,454	-	-	-	5,847
Mark to market derivative instruments	-	713	-	-	-	713
Trades payables						
Trades payables	372	152	-	-	-	524

* Including future interest payments.

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

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks and financial institutions*	-	-	-	7,613	7,145	14,758
Compulsorily convertible debentures	-	-	-	-	337	337
Redeemable non cumulative preference shares	-	-	-	-	41	41
Buyer's credit	-	-	-	6,283	-	6,283
Short term borrowings						
Loans from related party	2,268	-	-	-	-	2,268
Buyer's credit	-	1,175	-	-	-	1,175
Acceptances	223	283	-	-	-	506
Other financial liabilities						
Current maturities of long term borrowings*	-	197	1,164	-	-	1,361
Interest accrued but not due on borrowings	215	125	-	-	-	340
Capital Creditors	1,298	688	-	-	-	1,986
Mark to market derivative instruments	257	-	773	-	-	1,031
Trades payables						
Trades payables	243	43	-	-	-	285

* Including future interest payments.

(Amounts in INR millions, unless otherwise stated)

35 Capital management

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

The entities forming part of the the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2018.

36 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 2018	As at 31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/period	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year/period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

37 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the entities forming part of the Restricted Group during the year is INR 2 (31March 2017: INR 1).
(b) Amount spent during the year on:

List of CSR activities	In Cash	Yet to be paid	Total
Construction / Acquisition of any asset	nil	nil	nil
Activities relating to:			
Current year	1	1	2
Previous year	1	0	1
1) Sanitation & making available safe drinking water- Construction of toilets, Bore-well, well, Tube-well etc. 2) Empowering women through SHGs (self-help group) and creating income generation activities for the women like stitching and tailoring, goatery, backyard poultry etc.) 3) Ensuring environmental sustainability- animal welfare Plantation, environment awareness, 4) Animal Welfare-Animal health camp, Para –vet training 5) Education awareness, Remedial classes for weak students etc. 6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.			

38 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The entities forming part of the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the entities forming part of the Restricted 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 entities forming part of the the Restricted 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

Depreciation on property, plant and equipment

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

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

B) Estimates and assumptions:

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 32 - 34 for further disclosures.

39 There are no employees on the rolls of the entities forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. ReNew Power Limited and ReNew Power Services private Limited have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the these companies is most appropriate basis for recovering of such common expenses.

40 During the year ended 31 March 2017, the ReNew Wind Energy (Rajasthan 3) Private Limited, a company forming part of the Restricted Group has reached settlement with certain suppliers/contractors for compensation for loss of revenue on account of delay commissioning of Bhaseda project. Resultantly, an amount of INR 56 towards liquidated damages (LDs) has been recognised in the statement of profit & loss.
Since, the said LDs are directly linked to delay in creating profit making apparatus, the same has been considered as capital receipt and thus has not been included in Book Profit under section 115JB of the Income Tax Act, 1961. The same has also been supported by the opinion of the advisors of the company.

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2018

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2018

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2018

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2018

S.R. BATLIBOI & CO. LLP
Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
ReNew Power Limited ("RPL")
(formerly known as ReNew Power Ventures Pvt. Ltd. and Renew Power Pvt. Ltd.)

Introduction

We have reviewed the accompanying Unaudited Special Purpose Interim Combined Financial Statements of Restricted Group (consisting of certain specific subsidiaries of RPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group"), which comprise the combined Balance Sheet as at 31 December 2017 and the related Statement of Profit and Loss including other comprehensive income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the nine months period then ended and the related notes, comprising a summary of the significant accounting policies and other explanatory information (the "combined financial statements"). Management of RPL is responsible for the preparation and presentation of this combined financial statements in accordance with the basis of preparation of Unaudited Special Purpose Interim Combined Financial Statements set out in in Note 3. Our responsibility is to express a conclusion on these Unaudited Special Purpose Interim Combined Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Combined Financial Statements are not prepared, in all material respects, in accordance with the basis for preparation as set out in Note 3 to the Unaudited Special Purpose Interim Combined Financial Statements.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 and 3 to the Unaudited Special Purpose Interim Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the period ended 31 December 2017, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. The Unaudited Special Purpose Interim Combined Financial Statements have been prepared solely in connection with the proposed issuance of USD denominated Notes by each member of the Restricted Group for which the RPL is a guarantor and for inclusion in the Offering Memorandum. As a result, the Unaudited Special Purpose Interim Combined Financial Statements may not be suitable for another purpose.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Other matter

The accompanying Unaudited Special Purpose Interim Combined Financial Statements include total assets of Rs. 6,161 million and net assets of Rs. 417 million as at 31 December 2017, and total revenues of Rs. 89 million and net cash outflows of Rs 5 million for the nine months period ended on that date, in respect of 4 entities forming part of the Restricted Group, which have been audited by other auditors, which financial statements, other financial information and auditors report have been furnished to us by the management. Our opinion on the Unaudited Special Purpose Interim Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the reports of such other auditors.

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

S.R. BATLIBOI & CO. LLP
GURUGRAM

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Balance Sheet as at 31 December 2017
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 December 2017	As at 31 March 2017
Assets			
Non-current assets			
Property, plant and equipment	4	29,254	14,103
Capital work in progress	4	2,551	8,977
Investment property	5	1	1
Financial assets			
Loans	6	-	3
Others	6	0	0
Deferred tax assets (net)	7	109	231
Prepayments	8	15	21
Other non-current assets	9	1,288	1,139
Total non-current assets		**33,218**	**24,475**
Current assets			
Financial assets			
Loans	6	887	-
Trade receivables	10	1,174	518
Cash and cash equivalent	11	1,008	2,422
Bank balances other than cash and cash equivalent	11	1,210	562
Others	6	528	482
Prepayments	8	21	17
Other current assets	9	126	25
Total current assets		**4,954**	**4,026**
Total assets		**38,172**	**28,501**
Equity and liabilities			
Equity			
Equity share capital	12A	259	218
Other equity			
Equity component of compulsorily convertible debentures	12B	401	401
Equity component of preference shares	12C	517	476
Securities premium	13B	5,703	4,965
Hedging reserve	13C	(339)	(394)
Retained earnings	13D	48	(310)
Total equity		**6,589**	**5,356**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	14	13,491	15,000
Deferred tax liabilities (net)	7	21	45
Other non-current liabilities	15	190	163
Total non-current liabilities		**13,702**	**15,208**
Current liabilities			
Financial liabilities			
Short-term borrowings	16	6,814	3,949
Trade payables			
Outstanding dues to micro enterprises and small enterprises	17	-	-
Others	17	349	285
Derivative instruments	18	1,214	1,031
Other current financial liabilities	19	9,469	2,628
Other current liabilities	20	35	43
Short-term provisions	21	-	1
Total current liabilities		**17,881**	**7,937**
Total liabilities		**31,583**	**23,145**
Total equity and liabilities		**38,172**	**28,501**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group

Unaudited Special Purpose Interim Combined Statement of Profit and Loss for the nine months period ended 31 December 2017

(Amounts in INR millions, unless otherwise stated)

	Notes	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Income:			
Revenue from operations	22	2,760	1,410
Other income	23	257	283
Total income		**3,017**	**1,693**
Expenses:			
Other expenses	24	338	183
Total expenses		**338**	**183**
Earning before interest, tax, depreciation and amortization (EBITDA)		**2,679**	**1,510**
Depreciation expense	25	774	349
Finance costs	26	1,371	791
Profit/(loss) before tax		**534**	**370**
Tax expense			
Current tax	7	100	60
Deferred tax	7	70	471
Tax for earlier years		6	-
Profit/(loss) for the period	**(a)**	**358**	**(161)**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges		83	(1,058)
Income tax effect		(29)	327
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	**(b)**	54	(731)
Total comprehensive profit/(loss) for the year	**(a) + (b)**	**412**	**(892)**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman & Managing Director)
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Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Statement of Cash Flows for the nine months period ended 31 December 2017
(Amounts in INR millions, unless otherwise stated)

Particulars	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Cash flow from operating activities		
Profit before tax	534	370
Adjustments for:		
Depreciation expense	774	349
Operation and maintenance	46	69
Interest income	(133)	(87)
Interest expense	1,356	761
Fair value gain on financial instruments at fair value through profit or loss	-	(7)
Profit on sale of mutual fund	(1)	-
Operating profit before working capital changes	**2,576**	**1,455**
Movement in working capital		
(Increase)/decrease in trade receivables	(656)	(1,044)
(Increase)/decrease in financial assets	(26)	(207)
(Increase)/decrease in prepayments	2	(11)
(Increase)/decrease in other assets	(34)	(120)
Increase/(decrease) in other liabilities	(28)	(39)
Increase/(decrease) in trade payables	64	205
Increase/(decrease) in financial liabilities	-	75
Cash generated from operations	**1,898**	**314**
Direct taxes paid (net of refunds)	(144)	(60)
Net cash generated from operating activities	**1,754**	**254**
Cash flow from investing activities		
Purchase of Property, plant and equipment including capital work in progress, capital advances and capital creditors	(6,973)	(6,726)
Net (Investments in)/redemption of bank deposits having maturity more than 3 months	(647)	287
Loan given to related parties	(930)	-
Loan repaid by related parties	50	-
Interest received	109	80
Redemption of mutual funds	1	-
Net cash used in investing activities	**(8,390)**	**(6,359)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	410	1,000
Proceeds from issue of preference shares (including premium)	410	889
Proceeds from issue of preference shares (including premium)	-	620
Proceeds from long-term borrowings	2,900	2,606
Repayment of long-term borrowings	(255)	(98)
Loan taken from related parties	2,885	2,528
Loan repaid to related parties	(1,763)	(1,474)
Proceeds from short-term borrowings	4,500	1,567
Repayment of short-term borrowings	(2,757)	(51)
Interest paid	(1,108)	(555)
Net cash generated from financing activities	**5,222**	**7,032**
Net (decrease) / increase in cash and cash equivalents	**(1,414)**	**927**
Cash and cash equivalents at the beginning of the year	**2,422**	**448**
Cash and cash equivalents at the end of the year	**1,008**	**1,375**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	216	284
- On deposit accounts with original maturity of less than 3 months	792	1,091
Total cash and cash equivalents (note 11)	**1,008**	**1,375**

Changes in liabilities arising from financial activities:

Particulars	Opening balance as at 1 April 2017	Cash flows (net)	Other changes*	Closing balance as at 31 December 2017
Long-term borrowings (including current maturities)	15,302	2,644	(268)	17,678
Short-term borrowings	3,949	2,865	-	6,814
Total liabilities from financing activities	**19,251**	**5,509**	**(268)**	**24,492**

* other changes includes reinstatement of foreign currency borrowing and ancillary borrowing cost.

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

Summary of significant accounting policies 3

As per our report of even date

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
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(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Unaudited Special Purpose Interim Combined Statement of changes in equity for the nine months period ended 31 December 2017
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group							Total equity
					Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Equity component of compulsorily convertible debentures	Share application money pending allotment	Securities premium	Retained earnings	Hedging Reserve	
	(refer note 12A)	(refer note 12C)	(refer note 12B)	(refer note 13A)	(refer note 13B)	(refer note 13D)	(refer note 13C)	
At 1 April 2016	**118**	**362**	**-**	**50**	**3,041**	**(310)**	**(103)**	**3,158**
Loss for the year	-	-	-	-	-	0	-	0
Other comprehensive income (net of taxes)	-		-	-	-	-	(291)	(291)
Total comprehensive income	-	-	-	-	-	0	(291)	(291)
Equity shares issued during the year	100	-	-	-	901	-	-	1,001
Amount utilized against issue of shares	-	-	-	-	(2)	-		(2)
Preference shares issued during the year	-	114	-	(50)	1,025	-	-	1,089
Debentures issued during the year	-	-	401	-	-	-	-	401
Share application money received	-	-	-	-	-	-		-
At 31 March 2017	**218**	**476**	**401**	**-**	**4,965**	**(310)**	**(394)**	**5,356**
Profit for the period	-	-	-	-	-	358	-	358
Other comprehensive income (net of taxes)	-	-	-	-	-	-	55	55
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**358**	**55**	**413**
Equity shares issued during the period	41	-	-	(410)	369	-	-	-
Preference shares issued during the period	-	41	-	(410)	369	-	-	-
Share application money received	-	-	-	820	-	-	-	820
Amount utilized for issue of shares	-	-	-	-	(0)	-	-	(0)
At 31 December 2017	**259**	**517**	**401**	**-**	**5,703**	**48**	**(339)**	**6,589**

The accompanying notes are an integral part of the financial statements
As per our report of even date

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

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(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

(Amounts in INR millions, unless otherwise stated)

1 General information

ReNew Power Limited is a public limited company (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') (referred to as the "Parent" or "RPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPL) which are collectively referred to as the 'Restricted Group' (as more clearly explained in the note below) intend to issue USD denominated notes and their listing on Singapore Exchange Securities Trading Limited (SGX-ST).

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited#	ReNew Power Limited #
Kanak Renewables Limited#	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

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

The Unaudited Special Purcpose Interim Combined Financial Statements were authorized for issue in accordance with resolution of the directors on 11 February 2019.

2 Purpose of Unaudited Special Purpose Interim Combined Financial Statements

The Unaudited Special Purpose Interim Combined Financial Statements are special purpose financial statements which have been prepared for purpose of the proposed issue of USD denominated notes by each member of the Restricted Group. These Unaudited Special Purpose Interim Combined Financial Statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Unaudited Special Purpose Interim Combined Financial Statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The Unaudited Special Purpose Interim Combined Financial Statements for the nine months period ended 31 December 2017 have been prepared in accordance with recognition and measurement principles of Ind AS 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

Management of the Parent company has prepared the Unaudited Special Purpose Interim Combined Financial Statements which comprise the Unaudited Special Purpose Interim Combined Balance Sheet as at 31 December 2017, the Unaudited Special Purpose Interim Combined Statement of Profit and Loss including other comprehensive income, Unaudited Special Purpose Interim Combined Statement of Cash Flows and Unaudited Special Purpose Interim Combined Statement of Changes in Equity for the period ended 31 December 2017 a summary of the significant accounting policies and other explanatory information.

Management has prepared these Unaudited Interim Special Purpose Combined Financial Statements to depict the historical cost of the Restricted Group except for the following assets and liabilities which have been measured at fair value:

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

The Unaudited Special Purpose Interim Combined Financial Statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Unaudited Special Purpose Interim Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

The accounting policies and estimates adopted in the preparation of the Unaudited Special Purpose Interim Combined Financial Statements for the nine months period ended 31 December 2017 are consistent with those used in the Unaudited Special Purpose Interim Combined Financial Statements for the year ended 31 March 2017.

3.2 Basis of combination

The Unaudited Special Purpose Interim Combined Financial Statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities forming part of restricted group have been eliminated and profits or losses arising from intragroup transactions that are recognised in assets, such as inventory and fixed assets have been eliminated in full.

3.3 Summary of Significant Accounting Policies

(a) Current versus non-current classification

The entities forming part of Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

b) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the entities forming part of Restricted Group.

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

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

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

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

For the purpose of fair value disclosures, the entities forming part of Restricted Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 32 and 33).

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

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

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
· Disclosures for significant estimates and assumptions (Refer Note 38)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 33)
· Financial instruments (including those carried at amortised cost) (Refer Note 32)

c) Revenue recognition

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

Sale of Power

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

Income from Liquidated damages and interest on advances

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

Dividend

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

Interest income

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

Income from government grants

Refer note (f) for accounting policy.

d) Foreign currencies

The Restricted Group Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the companies operate.

Transactions and balances

Transactions in foreign currencies are initially recorded by the entities forming part of Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

e) Income taxes

Current income tax

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

Deferred Tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

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

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

Minimum Alternate Tax

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

f) Government grants

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

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

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

Generation based Incentive

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

g) Property, plant and equipment

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

Subsequent Costs

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

Derecognition

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

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

h) Depreciation

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

Category	Years
Plant and equipment (wind and solar power projects)*	18-25
Furniture & fixture	10
Office equipment	5
Computers	3
Computer servers	6

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

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

i) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

j) Impairment of non-financial assets

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

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

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

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

k) Provisions

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

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

l) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the entities forming part of Restricted Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of Restricted Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the entities forming part of Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The entities forming part of Restricted Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entities forming part of Restricted Group may make an irrevocable election to present the subsequent changes in the fair value in OCI. The entities forming part of Restricted Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is

If the entities forming part of Restricted Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the entities forming part of Restricted Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The respective entities forming part of Restricted Group has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; And
- Either the entities forming part of Restricted 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 entities forming part of Restricted Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the entities forming part of Restricted Group continues to recognise the transferred asset to the extent of the continuing involvement of the entities forming part of Restricted Group. In that case, the Restricted Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Restricted Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entities forming part of Restricted Group could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the entities forming part of Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.
The entities forming part of Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the entities forming part of Restricted 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 entities forming part of Restricted 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss (P&L).

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The financial liabilities of the entities forming part of Restricted Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement
The measurement of financial liabilities depends on their classification as discussed below:-

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

The entities forming part of Restricted Group recognise debt modifications agreed with lenders to restructure their existing debt obligations. Such modifications are done to take advantage of falling interest rates by cancelling the exposure to high interest fixed rate debt, pay a fee or penalty on cancellation and replace it with debt at a lower interest rate (exchange of old debt with new debt). The qualitative factors considered to be relevant for modified financial liabilities include, but are not limited to, the currency that the debt instrument is denominated in, the interest rate (that is fixed versus floating rate), conversion features attached to the instrument and changes in covenants. The accounting treatment is determined depending on whether modifications or exchange of debt instruments represent a settlement of the original debt or merely a renegotiation of that debt. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Redeemable Non Cumulative Preference Shares and Compulsory Convertible Preference Shares
Preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Compulsory Convertible Debentures (CCDs)

The entities forming part of the Restricted Group determine classification of compound financial instruments at initial recognition.

Basis the terms of these compound financial instruments, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. 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.

The entities forming part of the Restricted Group recognise interest, dividends, losses and gains relating to such financial instrument or a component that is a financial liability as income or expense in profit or loss.

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.

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.

m) Cash and Cash-Equivalents
Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they are considered an integral part of the entities forming part of the Restricted Group's cash management.

n) Measurement of EBITDA
The Restricted Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Restricted Group measure EBITDA on the basis of profit/ (loss) from continuing operations. In their measurement, the companies include interest income but do not include depreciation and amortization expense, finance costs and tax expense.

(Amounts in INR millions, unless otherwise stated)

o) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The entities forming part of the Restricted Group does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The entities forming part of the Restricted Group makes disclosures in the financial statement in cases of significant events.

p) 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 Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

q) Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2018, notifying new accounting standard Ind AS 115, 'Revenue from Contracts with Customers' and certain amendments to existing standards. The new standard and amendments are applicable to the entities forming part of the Restricted Group from 1 April 2018.

Ind AS 115 Revenue from Contracts with Customers

Revenue from contracts with customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entities forming part of the Restricted Group expect to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The entities forming part of the Restricted Group has evaluated the requirements of the new standard and the effect on the financial statements will be as mentioned below:-

Special Purpose Combined Balance Sheet as at 31 December 2017

Particulars	Notes	Reference	As at 31 December 2017	Ind AS 115 impact	Updated As at 31 December 2017
Assets					
Non-current assets					
Property, plant and equipment	4	(a)	29,255	(117)	29,138
Prepayments	9	(a)	15	112	127
Current assets					
Prepayments	9	(a)	21	5	25

Special Purpose Combined Statement of Profit and Loss for period ended 31 December 2017

Particulars	Notes		For the year ended 31 December 2017	Ind AS 115 impact	Updated for the year ended 31 December 2017
Income:					
Revenue from operations	22	(a)	2,760	(1)	2,759
Expenses:					
Depreciation expense	25	(a)	774	(1)	773
Profit before tax			534	-	534
Profit for the year			358	-	358

a) Ind AS 115 impact - Consideration payable to customer

As per Purchase Power Agreement there was an amount which was required to be paid to discom before the project become operational, which was capitalized as part of project cost before the application of IND AS 115.

Amount paid to customer is in preview of guidance given under Consideration payable to customer under IND AS 115, accordingly any amount paid to customer is to be reduced from the transaction price and, therefore, of revenue. As the Power Purchase agreement is for 25 years the said amount paid to the customer is to be regarded as deferred expenditure and subsequently needs to be expensed off over the period of tenure.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. However, since the Restricted Group's current practice is in line with the amendment, the Restricted Group does not expect any effect on its consolidated financial statements.

The Restricted Group has disclosed only those new standards or amendments that are expected to have an impact on its financial position, performance and disclosures.

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land #	Plant and equipment	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost							
At 1 April 2016	33	10,349	-	-	-	10,382	189
Additions during the year @	1,214	3,245	-	-	0	4,459	12,047
Adjustment*	-	-	-	-	-	-	(14)
Capitalised during the year	-	-	-	-	-	-	(3,245)
At 31 March 2017	**1,247**	**13,594**	**-**	**-**	**0**	**14,841**	**8,977**
Additions during the period @	560	15,364	0	0	1	15,925	8,938
Capitalised during the period	-	-		-	-	-	(15,364)
At 31 December 2017	**1,807**	**28,958**	**0**	**0**	**1**	**30,766**	**2,551**
Depreciation							
At 1 April 2016	-	244	-	-	-	244	-
Charge for the year (refer note 25)	-	494	-	-	0	494	-
At 31 March 2017	**-**	**738**	**-**	**-**	**0**	**738**	**-**
Charge for the period (refer note 25)	-	774	0	0	0	774	-
At 31 December 2017	**-**	**1,511**	**0**	**0**	**0**	**1,512**	**-**
Net book value							
At 31 March 2017	**1,247**	**12,857**	**-**	**-**	**0**	**14,103**	**8,977**
At 31 December 2017	**1,807**	**27,447**	**0**	**0**	**1**	**29,254**	**2,551**

* The same is incurred on behalf of related parties, refer note 28

#The title of land amounting to INR 319 (31 March 2017: INR 352) is held by way of General Power of Attorney (GPA) and the entities forming part of Restricted Group are in process of registration of title deeds of these freehold lands.

@ Capitalised Borrowing Costs
The amount of borrowing cost capitalised in the plant & equipment assets during the period ended 31 December 2017 is INR 349 (31 March 2017: INR 849). The rate used to determine the amount of borrowing cost eligible for capitalisation was the effective interest rate of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 31,805 (31 March 2017: INR 23,082) are subject to a pari passu first charge to respective lenders for senior secured bonds as disclosed in Note 14.

(Amounts in INR millions, unless otherwise stated)

5 Investment property

	Amount
Cost	
At 1 April 2016	-
Additions	1
At 31 March 2017	**1**
At 31 December 2017	**1**
Net book value	
At 31 March 2017	**1**
At 31 December 2017	**1**

Reconciliation of Fair value

	Amount
At 1 April 2016	-
Fair Value Difference	-
Purchases	1
At 31 March 2017	**1**
At 31 December 2017	**1**

(Amounts in INR millions, unless otherwise stated)

6 Financial assets	As at 31 December 2017	As at 31 March 2017
Non-current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Loans		
Secured good	-	-
Unsecured, considered good		
Security deposits	-	3
	-	3
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**-**	**3**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 11)	0	0
Total	**0**	**0**
Current		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Loans to related parties (refer note 28)	880	-
Security deposits	7	-
	887	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**887**	**-**
Others		
Government grants*		
- Generation based incentive receivable	61	142
Recoverable from related parties (refer note 28)	14	0
Unbilled revenue	387	299
Interest accrued on fixed deposits	24	40
Interest accrued on loans to related parties (refer note 28)	42	1
Total	**528**	**482**

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.
Investments at fair value through profit & loss reflects investment in quoted mutual funds. Refer note 32 for determination of fair value.
*Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

7 Deferred tax

Deferred tax assets (net)
Deferred tax relates to the following:

Deferred tax related to items recognised in equity :		As at 31 December 2017	As at 31 March 2017
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		100	142
	(a)	**100**	**142**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		1,971	224
	(b)	1,971	224
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		5	-
Losses available for offsetting against future taxable income		1,820	167
Unused tax credits (MAT)		60	42
Liability component of compound financial instruments		95	105
Others		-	-
	(c)	1,980	313
Deferred tax assets (net)	**(d) = (c) - (b)+ (a)**	**109**	**231**

(Amounts in INR millions, unless otherwise stated)

Deferred tax liabilities (net)

Deferred tax related to items recognised in OCI:		**As at 31 December 2017**	**As at 31 March 2017**
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		53	34
	(a)	**53**	**34**
Deferred tax liabilities (gross)			
Loss on mark to market of derivative instruments		6	-
	(b)	**6**	**-**

Deferred tax related to items recognised in statement of profit and loss :

		As at 31 December 2017	**As at 31 March 2017**
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws		164	68
Liability component of compound financial instruments		13	14
	(c)	**177**	**82**
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		3	3
Unused tax credit (MAT)		3	-
Losses available for offsetting against future taxable income		103	-
Preliminary expenses		0	0
	(d)	**109**	**3**
Deferred tax liabilities (net)	**(e) = (b) + (c) - (a) -(d)**	**21**	**45**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	31 December 2017	**31 December 2016**
Accounting profit before income tax	**534**	**370**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax(18.50%) / Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	96	69
Deferred tax expense reported in the statement of profit and loss*	70	471
Income not chargeable to tax:		
Others	-	(1)
Non-deductible expenses for tax purposes:		
Interest on compound financial instrument	4	-
Other non deductible expenses	0	3
Deductible expenses for tax purposes:		
Decrease in book profit on account of transition amount adjusted in other equity	-	(3)
Brought forward losses / unabsorbed depreciation	-	(8)
At the effective income tax rate	**170**	**531**
Current tax expense reported in the statement of profit and loss	100	60
Deferred tax expense reported in the statement of profit and loss	70	471
	170	**531**

*** Where deferred tax expense relates to the following :**		
Compound Financial Instruments	8	(8)
Losses available for offsetting against future taxable Income	(1,186)	434
Difference in WDV as per books of accounts and tax laws	1,274	79
Operation and maintenance	(5)	7
Unused tax credit (MAT)	(21)	(41)
Others	-	-
	70	**471**

(Amounts in INR millions, unless otherwise stated)

Reconciliation of deferred tax assets (net):

	31 December 2017	31 March 2017
Opening balance of DTA/DTL (net)	**186**	**212**
Deferred tax income/(expense) during the period recognised in profit or loss	(70)	(254)
Deferred tax income/(expense) during the period recognised in OCI	(29)	130
Deferred tax on initial recognition of compound financial instruments (netted through equity)	-	98
Closing balance of DTA/DTL (net)	**88**	**186**

Current tax expense and Deferred tax expense is recognized for the nine months period ended 31 December 2017 on the basis of the best estimate of the annual effective tax rate for the financial year ended 31 March 2018. Hence, disclosure for the amount (and expiry date, if any) of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset are recognised in the balance sheet are reported along with financial statements for the financial year ended 31 March 2018.

8 Prepayments	**As at 31 December 2017**	**As at 31 March 2017**
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	15	21
Total	**15**	**21**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	21	17
	21	**17**

9 Other assets	**As at 31 December 2017**	**As at 31 March 2017**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	1,152	979
Advances recoverable	-	73
Advance income tax (net of income tax provisions)	104	61
Security deposits	0	0
Maharashtra VAT recoverable	32	26
Total	**1,288**	**1,139**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	123	25
Balances with Government authorities	3	0
Total	**126**	**25**

10 Trade receivables	**As at 31 December 2017**	**As at 31 March 2017**
Considered good -Unsecured	1,174	518
Considered good -Secured	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	1,174	518
Less: Provision for doubtful debts	-	-
Total	**1,174**	**518**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on terms of 7-60 days.

(Amounts in INR millions, unless otherwise stated)

11 Cash and cash equivalents	**As at 31 December 2017**	**As at 31 March 2017**
Cash and cash equivalents		
Balance with bank		
- On current accounts	216	957
- Deposits with original maturity of less than 3 months #	792	1,465
	1,008	**2,422**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	1,210	562
- Remaining maturity for more than twelve months #	0	0
	1,210	**562**
Less: amount disclosed under financial assets (others) (Note 6)	(0)	(0)
Total	**1,210**	**562**

*Fixed deposits of INR 100 (31 March 2017: INR 542) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA). Fixed deposits of INR 482 (31 March 2017: INR 290) have been given as margin money for the purpose of letter of credit/bank guarantee.

The bank deposits have an original maturity period of 7 to 1827 days and carry an interest rate of 5.21% to 8.25% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

12 Share capital

The Unaudited Special Purpose Interim Combined Financial Statement do not represent a legal entity structure. The share capital of Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2016	15,165,800	152
Increase during the year	10,013,090	100
At 31 March 2017	25,178,890	252
Increase during the period	4,100,000	41
At 31 December 2017	**29,278,890**	**293**
0.001% redeemable non cumulative preference shares of INR 10 each		
At 1 April 2016	2,000,000	20
At 31 March 2017	2,000,000	20
At 31 December 2017	**2,000,000**	**20**
0.0001% compulsory convertible preference shares of INR 10 each		
At 1 April 2016	23,825,000	238
Increase during the year	12,236,950	122
At 31 March 2017	36,061,950	360
Increase during the period	4,200,000	42
At 31 December 2017	**40,161,950**	**402**

Issued share capital	**Number of shares**	**Amount**
12A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2016	11,804,000	118
Shares issued during the year	10,010,975	100
At 31 March 2017	21,814,975	218
Shares issued during the period	4,100,000	41
At 31 December 2017	**25,914,975**	**259**

Terms/rights attached to equity shares

The entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the entities forming part of Restricted Group will pay dividends in Indian rupees.
In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective company.

12B Equity component of compulsorily convertible debentures (CCD)

8% Compulsorily convertible debentures (CCDs) of INR 105 each	**Number of debentures**	**Total proceeds**	**Liability component (refer note 14)**	**Equity component***
At 1 April 2016	-	-	-	-
Debentures issued during the year	5,903,630	620	317	401
Accretion during the year	-	-	20	-
At 31 March 2017	5,903,630	620	337	401
Accretion during the period	-	-	29	-
At 31 December 2017	**5,903,630**	**620**	**366**	**401**

(*Adjusted for deferred tax at inception)

Terms of conversion of CCDs
CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights.

12C Equity component of preference shares:

0.0001% redeemable non cumulative preference shares(RNCPS) of INR 10 each (including share premium of INR 90 each)	**Number of shares**	**Total proceeds**	**Liability component (refer note 14)***	**Equity component***
At 1 April 2016	1,881,220	188	36	140
Accretion during the year			5	-
At 31 March 2017	1,881,220	188	41	140
Accretion during the period	-	-	4	-
At 31 December 2017	**1,881,220**	**188**	**45**	**140**

(*Adjusted for deferred tax at inception)

(Amounts in INR millions, unless otherwise stated)

0.0001% compulsorily convertible preference shares of INR 10 each (including share premium of INR 90 each)	**Number of shares**	**Amount**
At 1 April 2016	22,215,970	222
Shares issued during the year	11,384,825	114
At 31 March 2017	33,600,795	336
Shares issued during the period	4,100,000	41
At 31 December 2017	**37,700,795**	**377**
At 1 April 2016		**362**
At 31 March 2017		**476**
At 31 December 2017		**517**

Terms/rights attached to preference shares

0.0001% redeemable non cumulative preference shares (RNCPS)

ReNew Wind Energy (Devgarh) Private Limited has issued 1,881,220 RNCPS in FY 2014-15 of Rs.10 each fully paid-up at a premium of Rs. 90 per share. RNCPS carry non cumulative dividend @ 0.0001%. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting and conversion rights. RNCPS shall be redeemed at Rs. 100 per share on March 31, 2030 or as may be determined by the Board in one or more tranches and agreed by the preference shareholder.

In the event of any Liquidation of the Company, the RNCPS shall be entitled to receive an amount that equal to the Face value of preference share and such dividend in arrear, if any, declared and remained unpaid. The RNCPS shall also have right to participate in surplus assets & profits of respective entities, which may remain after the entire capital (both equity share capital and Preference share capital) has been repaid, to the extent of Rs 90 per share.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)

ReNew Wind Energy (Rajasthan 3) Private Limited has issued 16,248,850 0.0001% CCPS during F.Y. 2014-15 and 3,542,120 0.0001% CCPS during F.Y. 2015-16, ReNew Saur Urja Private Limited has issued 4,100,000 0.0001% CCPS during F.Y. 2017-18 and 6,549,000 0.0001% CCPS during F.Y. 2016-17 and ReNew Solar Energy (Telangana) Private Limited has issued 48,35,825 0.0001% CCPS during FY 2016-17 and 16,25,000 0.0001% CCPS during FY 2015-16.
CCPS are having face value of INR 10 each fully paid-up at a premium of INR 90 per share.
CCPS carry non cumulative dividend @ 0.0001%. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable.
CCPS issued by ReNew Wind Energy (Rajasthan 3) Private Limited and ReNew Saur Urja Private Limited would be compulsorily converted into Equity Shares of the Company at the price of INR 100 (Rupees Hundred) per share on March 31, 2030 and on March 31, 2035 respectively in the ratio of 1 equity shares : 1 preference shares.
CCPS issued by ReNew Solar Energy (Telangana) Private Limited would be converted into Equity shares anytime before the mandatory conversion date at the option of the holder. However, the same shall automatically stand converted into Equity shares of the Company at the price of Rs.100/-(Rupees Hundred) per share on 20th anniversary in the ratio of 0.95 equity shares:1 preference shares.

In the event of Liquidation of the Company, the holders of CCPS shall be paid 1 times the face value of CCPS and such dividend in arrear, if any, declared and remained unpaid. The said preference shares shall have right to participate in surplus assets & profits on winding up of respective entities, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of INR 90 per preference share.

12D Shares held by the holding company

	31 December 2017		**31 March 2017**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
ReNew Solar Power Private Limited *				
Equity shares of INR 10 each	10,749,827	107	6,649,827	66
0.0001% compulsorily convertible preference shares of INR 10 each	17,909,825	179	13,809,825	138
ReNew Power Limited *				
Equity shares of INR 10 each	8,949,000	89	8,949,000	89
0.0001% redeemable non cumulative preference shares of INR 10 each	1,881,220	19	1,881,220	19
0.0001% compulsorily convertible preference shares of INR 10 each	19,790,970	198	19,790,970	198
Suzlon Energy Limited *				
Equity shares of INR 10 each	40	0	40	0

* for subsidiary companies details (refer note 28)

(Amounts in INR millions, unless otherwise stated)

12E Details of shareholders holding more than 5% shares in the Restricted Group

	31 December 2017		31 March 2017	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
ReNew Solar Power Private Limited *	10,749,827	41.48%	6,649,827	30.48%
ReNew Power Limited *	8,949,000	34.53%	8,949,000	41.02%
Hareon Power Singapore Private Limited	6,216,108	23.99%	6,216,108	28.49%
0.0001% redeemable non cumulative preference shares of INR 10 each				
ReNew Power Limited *	1,881,220	100.00%	1,881,220	100.00%
0.0001% compulsorily convertible preference shares of INR 10 each				
ReNew Solar Power Private Limited *	17,909,825	47.51%	13,809,825	41.10%
ReNew Power Limited *	19,790,970	52.49%	19,790,970	58.90%

As per the records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

* for subsidiary companies details (refer note 28)

13 Other equity

13A Share application money pending allotment

At 1 April 2016	50
Preference shares issued during the year	(50)
At 31 March 2017	-
Share application money received	820
Preference shares issued during the period	(410)
Equity shares issued during the period	(410)
At 31 December 2017	**-**

13B Securities premium

At 1 April 2016	**3,041**
Premium on issue of equity shares during the year	901
Premium on issue of CCPS during the year	1,025
Amount utilized against issue of shares	(2)
At 31 March 2017	**4,965**
Premium on issue of equity shares during the period	369
Premium on issue of CCPS during the period	369
Amount utilized against issue of shares	(0)
At 31 December 2017	**5,703**

Nature and purpose of securities premium
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.

13C Hedging Reserve

At 1 April 2016	(103)
Losses arising during the year on CCIRS	(291)
At 31 March 2017	**(394)**
Profit arising during the period on CCIRS	55
At 31 December 2017	**(339)**

Nature and purpose of hedging reserve
The Restricted 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 Restricted Group uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

13D Retained earnings

At 1 April 2016	(310)
Loss for the year	0
At 31 March 2017	**(310)**
Profit for the period	358
At 31 December 2017	**48**

(Amounts in INR millions, unless otherwise stated)

14 Long-term borrowings	Nominal interest rate %	Maturity	Non-current		Current	
			31 December 2017	31 March 2017	31 December 2017	31 March 2017
Compulsorily Convertible Debentures (unsecured) (refer note 11B)	8.00%	August 2036 - September 2036	366	337	-	-
Term loan from bank (secured)	10.60% - 11.25% 3 Months Libor + 3% - 3.65% 6 Months Libor + 3.85%	March 2021 - March 2035	8,181	8,339	420	302
Term loan from financial institutions (secured)	10.60%	June 2031	354	-	11	-
Buyer's / Supplier's credit (secured)	2.02% - 7.56% 6MLR + 62 - 83 BPS	January 2018 - December 2019	4,545	6,283	3,756	-
Liability component of preference shares (secured) (refer note 12C)	0.0001%	March 2030	45	41	-	-
Total long-term borrowings			**13,491**	**15,000**	**4,187**	**302**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 19)			-	-	(4,187)	(302)
			13,491	**15,000**	**-**	**-**

Notes:

(i) Compulsory 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.

(ii) Term loan from banks are secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

(iii) Term loan in Indian rupees from financial institutions are secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective company.

(iv) Buyer's/ Supplier's credit are secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

(v) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding Company.

(vi) ReNew Power Limited, the holding company, has pledged 8,948,998 (31 March 2017: 8,948,998) equity and 18,130,070 (31 March 2017: 18,130,070) preference shares of its subsidiary entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(vii) ReNew Solar Power Private Limited, the holding company, has pledged 6,474,926 (31 March 2017: 6,474,926) equity and 15,210,825 (31 March 2017: 11,310,825) preference shares of its subsidiary entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

15 Other non-current liabilities	**As at 31 December 2017**	**As at 31 March 2017**
Provision for operation and maintenance equalisation	190	163
Total	**190**	**163**

16 Short term borrowings	**As at 31 December 2017**	**As at 31 March 2017**
Acceptances	895	506
Loan from related party (unsecured) (refer note 30)	3,390	2,268
Buyer's / Supplier's credit (secured)	2,529	1,175
Total	**6,814**	**3,949**

Buyer's / Supplier's credit (secured)

Buyer's/supplier's credit carries an interest rate of 1 Month Libor + 25-32 bps. to 6 Month Libor + 23-30 bps. is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repayments schedule of principal loan and interest.

Acceptances

Acceptances from Yes Bank are secured by first 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 on acceptances ranges from 7.60% - 9.00% p.a.

Loan from related party (unsecured)

Unsecured loan from related party is repayable on demand and carries interest at 8.00% per annum.

17 Trade payables	**As at 31 December 2017**	**As at 31 March 2017**
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 36)	-	-
Others	349	285
Total	**349**	**285**

18 Derivative instruments	**As at 31 December 2017**	**As at 31 March 2017**
Financial liabilities at fair value through OCI (current)		
Cash flow hedges		
Derivative instruments	1,214	1,031
Total	**1,214**	**1,031**

19 Other current financial liabilities	**As at 31 December 2017**	**As at 31 March 2017**
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 14)	4,187	302
Others		
Interest accrued but not due on borrowings	589	340
Interest accrued and due on borrowings	4	-
Capital creditors	4,689	1,986
Total	**9,469**	**2,628**

Restricted Group
Notes to Unaudited Special Purpose Interim Combined Financial Statements for the nine months period ended 31 December 2017
(Amounts in INR millions, unless otherwise stated)

20 Other current liabilities	**As at 31 December 2017**	**As at 31 March 2017**
Provision for operation and maintenance equalisation	29	8
Other payables		
TDS payable	5	34
Service tax payable	-	0
WCT payable	0	1
GST payable	1	-
Total	**35**	**43**

21 Short term provisions	**As at 31 December 2017**	**As at 31 March 2017**
Income tax provision (net of advance tax)	-	1
Total	**-**	**1**

(Amounts in INR millions, unless otherwise stated)

22 Revenue from operations	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Income from operation		
Sale of power	2,760	1,410
Total	**2,760**	**1,410**

23 Other income	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Interest income		
- on fixed deposit with banks	93	87
- on loan to related parties (refer note 28)	40	-
Government grant		-
- generation based incentive	113	120
Compensation for loss of revenue (refer note 40)	-	56
Insurance claim	0	13
Gain on ineffectiveness on derivative instruments designated as cash flow hedge	-	7
Fair value change of mutual fund (including realised gain)	1	-
Miscellaneous income	10	-
Total	**257**	**283**

24 Other expenses	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
Legal and professional fees	16	17
Corporate social responsibility	2	-
Travelling and conveyance	5	2
Rent	0	0
Printing and stationery	0	0
Management shared services	129	49
Rates and taxes	3	2
Payment to auditors (refer details below)	1	1
Insurance	12	6
Operation and maintenance	133	100
Repair and maintenance		
- plant and machinery	1	2
Security charges	10	0
Communication costs	1	0
Foreign exchange loss (net)	7	-
Penalty for delay in project commissioning	4	-
Loss on ineffectiveness on derivative instruments designated as cash flow hedge	10	-
Miscellaneous expense	4	4
	338	**183**

Payment to Auditors	For the nine months period ended 31 December 2017	For the nine months period ended 31 December 2016
As auditor:		
Audit fee	1	1
In other capacity:		
Reimbursement of expenses	0	0
	1	**1**

(Amounts in INR millions, unless otherwise stated)

25 Depreciation expense	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Depreciation of property, plant & equipment (refer note 4)	774	349
Total	**774**	**349**

26 Finance costs	**For the nine months period ended 31 December 2017**	**For the nine months period ended 31 December 2016**
Interest expense on		
- term loans	820	700
- loan from related party (refer note 28)	139	57
- acceptance	4	-
- buyer's/supplier's credit	359	-
- liability component of compulsorily convertible debentures	29	-
- liability component of redeemable non-cumulative preference shares	4	3
Amortization of option premium	-	16
Bank charges	16	15
Total	**1,371**	**791**

27 Earnings per share (EPS)

The Unaudited Special Purpose Interim Combined Financial Statements do not represent legal entity structure and are aggregated for a specific purpose. Accordingly, Earnings Per Share (EPS) on aggregated number of shares has not been disclosed.

28 Related Party Disclosures

a) Names of related parties and related party relationship
The names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationship as identified by the management are:

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited	Suzlon Energy Limited#
Kanak Renewables Limited	Suzlon Energy Limited#
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Private Limited	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.
*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

II. Ultimate Holding Company

GS Wyvern Holdings Limited (till 22nd March 2018)

III. Key management personnel (KMP) :

Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Limited.
Mr. Ravi Seth, Chief Financial Officer *
Mr. Parag Sharma, Chief Operating Officer and the Head of the Solar Business *
Mr. Balram Mehta, President of the Wind Business *
Mr. Ravi Parmeshwar, Chief Human Resource Officer *
Mr. Ashish Jain, Company Secretary and Compliance Officer *

* Designated as KMPs in current period.

IV. Fellow subsidiaries with whom transactions occurred during the year:

Renew Wind Energy (Rajasthan) Private Limited
ReNew Wind Energy (Karnataka) Private Limited
Renew Wind Energy (Shivpur) Private Limited
ReNew Wind Energy (Varekarwadi) Private Limited
Renew Wind Energy MP Private Limited
Renew Wind Energy (Jamb) Private Limited
Renew Wind Energy (Orissa) Private Limited
Narmada Wind Energy Private Limited
Renew Solar Energy Private Limited
Renew Solar Energy (Rajasthan) Private Limited
Renew Solar Energy (Karnataka) Private Limited
ReNew Mega Solar Power Private Limited
Renew Power Services Private Limited
ReNew Wind Energy (MP Three) Private Limited
ReNew Wind Energy (Rajasthan Four) Private Limited
Renew Wind Energy (Maharashtra) Private Limited
Renew Wind Energy (Karnataka 4) Private Limited
Bhumi Prakash Private Limited
ReNew Wind Energy (TN 2) Private Limited
Renew Wind Energy (MP Two) Private Limited
Renew Wind Energy (Rajkot) Private Limited
Renew Wind Energy (AP 3) Private Limited

V. Enterprise with significant influence

Name of entity	Enterprise with significant influence
ReNew Solar Energy (Telangana) Private Limited	Hareon Solar Singapore Private Limited

(Amounts in INR millions, unless otherwise stated)

b) Details of transactions with holding Company:

Particulars	**ReNew Power Limited**		**ReNew Solar Power Private Limited**		**Suzlon Energy Limited**	
	For the period ended 31 December 2017	**For the period ended 31 December 2016**	**For the period ended 31 December 2017**	**For the period ended 31 December 2016**	**For the period ended 31 December 2017**	**For the period ended 31 December 2016**
Unsecured loan given	930	-	-	-	-	-
Unsecured loan received back	50	-	-	-	-	-
Unsecured loan received	-	444	1,515	2,084	0	-
Unsecured loan repaid	641	30	859	1,444	-	-
Expenses incurred on behalf by holding co.	13	16	9	6	-	-
Expenses incurred on behalf of holding co.	9	-	-	3	-	-
Reimbursement of expenses	36	-	-	-	-	-
Purchase of management shared services#	119	49	-	-	-	-
Interest income on unsecured loan	40	-	-	-	-	-
Interest expense on unsecured loan	58	65	73	40	-	-
Purchase of engineering, procurement and construction services	-	-	1,627	244	-	-

ReNew Power Limited, the holding Company and ReNew Power Services Private Limited, a fellow subsidiary, have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the Companies is most appropriate basis for recovering of such common expenses.

c) Details of outstanding balances with holding Company:

Particulars	**ReNew Power Limited**		**ReNew Solar Power Private**		**Suzlon Energy Limited**	
	31 December	**31 March 2017**	**31 December**	**31 March 2017**	**31 December**	**31 March 2017**
Unsecured loan payable	713	1,354	1,291	635	0	-
Unsecured loan receivable	880	-	-	-	-	-
Trade payables*	96	108	2	0	-	-
Capital creditor#	220	278	1,728	463	-	-
Interest income accrued on unsecured loan	42	1	-	-	-	-
Interest expense accrued on unsecured loan	217	160	126	53	-	-
Recoverable from related parties	-	0	-	0	-	-

* including provision of INR 38 (31 March 2017: 1)
# including provision of INR 138 (31 March 2017: Nil)

d) Details of transactions with fellow subsidiaries:

i) Loans taken & repayment thereof and interest expense thereon

Particulars	**For the period ended 31 December 2017**			**For the period ended 31 December 2016**		
	Unsecured loan received	**Unsecured loan repaid**	**Interest expense on unsecured loan**	**Unsecured loan received**	**Unsecured loan repaid**	**Interest expense on unsecured loan**
Renew Wind Energy (MP Two) Private Limited	-	-	4	-	-	-
ReNew Wind Energy (Karnataka) Private Limited	-	213	1	-	-	-
Renew Wind Energy (Rajkot) Private Limited	940	50	41	-	-	-
Renew Wind Energy (AP 3) Private Limited	430	-	2	-	-	-

ii) Expenses incurred and payment made on behalf and purchase of land

Particulars	**For the period ended 31 December 2017**		**For the period ended 31 December 2016**	
	Expenses incurred on behalf by related party	**Expenses incurred on behalf for related party**	**Expenses incurred on behalf by related party**	**Expenses incurred on behalf for related party**
Renew Wind Energy (Rajasthan) Private Limited	0	-	-	-
Renew Wind Energy (Shivpur) Private Limited	0	-	-	-
ReNew Wind Energy (Varekarwadi) Private Limited	0	-	-	-
Narmada Wind Energy Private Limited	0	-	-	-
Renew Solar Energy Private Limited	0	0	-	0
Renew Wind Energy (Karnataka 4) Private Limited	0	-	-	-
Renew Wind Energy (Orissa) Private Limited	-	-	14	-
ReNew Mega Solar Power Private Limited	0	0	-	-
Renew Power Services Private Limited	2	1	-	-
Bhumi Prakash Private Limited	0	0	-	-
ReNew Wind Energy (Rajasthan Four) Private Limited	0	-	-	-
Renew Wind Energy (Maharashtra) Private Limited	-	0	-	-
ReNew Wind Energy (TN 2) Private Limited	0	-	-	-

(Amounts in INR millions, unless otherwise stated)

iii) Purchase of management shared services, engineering procurement and construction services and operation and maintenance services

Particulars	For the period ended 31 December 2017			For the period ended 31 December 2016		
	Management shared services	Engineering procurement and construction services	Operation and maintenance services	Management shared services	Engineering procurement and construction services	Operation and maintenance services
Renew Solar Energy Private Limited	-	1,146	19	-	244	-
Renew Power Services Private Limited	338	43	-	-	-	-
Renew Wind Energy (Jamb) Private Limited	-	111	-	-	-	-

e) Details of outstanding balances with fellow subsidiaries:

i) Loan payable & interest expense payable

Particulars	31 December 2017		31 March 2017	
	Loan payable	Interest payable	Loan payable	Interest payable
Renew Wind Energy (MP Two) Private Limited	61	5	61	1
ReNew Wind Energy (Karnataka) Private Limited	5	3	218	2
Renew Wind Energy (Rajkot) Private Limited	890	41	-	-
Renew Wind Energy (AP 3) Private Limited	430	2	-	-

ii) Trade payable, capital creditor and recoverable from related parties

Particulars	31 December 2017			31 March 2017		
	Trade payable*	Capital creditor#	Recoverable from related parties	Trade payable	Capital creditor	Recoverable from related parties
Renew Wind Energy (Rajasthan) Private Limited	-	-	0	-	-	-
Renew Wind Energy (Shivpur) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Varekarwadi) Private Limited	-	-	0	-	-	-
Renew Wind Energy MP Private Limited	-	135	-	135	-	-
Renew Wind Energy (Jamb) Private Limited	-	111	0	-	-	0
Renew Wind Energy (Orissa) Private Limited	-	-	14	-	-	14
Narmada Wind Energy Private Limited	-	-	0	-	-	-
Renew Solar Energy Private Limited	19	1,280	0	-	829	-
ReNew Mega Solar Power Private Limited	0	-	-	-	-	-
Renew Power Services Private Limited	71	255	-	-	-	-
ReNew Wind Energy (MP Three) Private Limited	-	-	0	-	-	-
ReNew Wind Energy (Rajasthan Four) Private Limited	-	-	0	-	-	-
Renew Wind Energy (Maharashtra) Private Limited	0	-	-	-	-	-
Renew Wind Energy (Karnataka 4) Private Limited	-	-	0	-	-	-
Bhumi Prakash Private Limited	0	0	-	-	-	-
ReNew Wind Energy (TN 2) Private Limited	-	-	0	-	-	-

* including provision of INR 209 (31 March 2017: Nil)
# including provision of INR 241 (31 March 2017: Nil)

f) Compensation of Key management personnel
Remuneration to the key managerial personnel is paid by the holding Company and fellow subsidiary (ReNew Power Services Private Limited) of entities forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding Company.

h) ReNew Power Limited, the holding company, has pledged 8,948,998 (31 March 2017: 8,948,998) equity and 18,130,070 (31 March 2017: 18,130,070) preference shares of its subsidiary entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

i) ReNew Solar Power Private Limited, the holding company, has pledged 6,474,926 (31 March 2017: 6,474,926) equity and 15,210,825 (31 March 2017: 11,310,825) preference shares of its subsidiary entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

29 Segment Information

The Chairman and Managing Director of ReNew Power 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 Restricted Group discloses segment information in a manner consistent with internal reporting to group's Chairman and Managing Director. The Restricted Group have segments based on type of business operations. The reportable segments of Restricted Group are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Restricted Group does not operate in more than one geographical segment.
The Restricted Group discloses in the segment information operating profit, comparable operating profit and comparable EBITDA.
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 nine months period ended 31 December 2017			For the nine months period ended 31 December 2016		
	Wind Power	**Solar Power**	**Total**	**Wind Power**	**Solar Power**	**Total**
Sale of power	1,307	1,453	2,760	1,410	-	1,410
Revenues from operations	**1,307**	**1,453**	**2,760**	**1,410**	**-**	**1,410**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**1,307**	**1,453**	**2,760**	**1,410**	**-** -	**1,410**
Interest income	72	61	133	46	41	87
Other Income (other than interest income)	118	6	124	195	1	196
Total income	**1,497**	**1,520**	**3,017**	**1,651**	**42**	**1,693**
Less: Other expenses	155	183	338	176	7	183
Earning before interest, tax, depreciation and amortization (EBITDA)	**1,342**	**1,337**	**2,679**	**1,475**	**35**	**1,510**

The Revenues from four major customers (31 December 2016: two customers) amounts to INR 2,542 (31 December 2016: INR 1,410) each of which contributes more than 10% of the total revenue of the Restricted Group. Out of these, revenues from Wind Segment amounts to INR 1,307 (31 December 2016: INR 1,410) and Solar Segment amounts to INR 1,235 (31 December 2016: INR Nil).

(Amounts in INR millions, unless otherwise stated)

30 Hedging activities and derivatives

Derivatives designated as hedging instruments

The entities forming part of Restricted Group uses certain types of derivative financial instruments (viz. foreign currency forwards, Cross-currency interest rate swap) to manage/mitigate their exposure to foreign exchange and interest risk. Further, the entity designates such derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation and interest risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow hedge'). The effective portion of changes in the fair value of Derivative financial instruments (or its components) that are designated and qualify as Cash flow hedges, are recognised in the Other comprehensive income and held in Cash flow hedge reserve - a component of Equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss within other expense/ other income. The amounts accumulated in Equity for highly probable forecast transaction are added to carrying value of non financial asset or non financial liability as basis adjustment, other amounts accumulated in Equity are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

At any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss within other expense/other income.

Cash flow hedges

Hedge has been taken against exposure to foreign currency risk and variable interest outflow on External commercial borrowings and Buyer's Credit. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:-

'- Buyers credit

Pay fixed INR and receive USD and pay fixed interest at 6.72% to 9.07% p.a. and receive a variable interest at 1 month LIBOR plus 0.38% p.a. to 6 month LIBOR plus 0.45-1.25% p.a. on the notional amount.

'-Loan

Pay fixed INR and receive USD and pay fixed interest at 11.72% to 13.50% p.a. and receive a variable interest at 6 month LIBOR plus 3.00-3.85% p.a. on the notional amount.

The cash flow hedges through CCS of USD 238,236,877 IRS of USD 14,080,246 and forward of USD 64,640,661 outstanding at the year ended 31 December 2017 were assessed to be highly effective and a hedging reserve of INR 483 (31 March 2017: INR 567) with a deferred tax asset of INR 144 (31 March 2017: INR 173), is included in OCI.

Foreign currency and Interest rate risk

Forward contracts and swaps measured at fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principal payments in USD.

	31-Dec-17		31-Mar-17	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Current financial liabilities				
Derivative contracts designated as hedging instruments	-	1214	-	1031

Hedging reserve movement

	As at 31 December 2017	As at 31 March 2017
Balance at the beginning of the year	(394)	(103)
Gain/(loss) recognised on cash flow hedges	(531)	(1,268)
Income tax relating to gain/loss recognized on cash flow hedges	163	391
Gain/(loss) reclassified to profit or loss	130	195
Income tax relating to gain/loss reclassified to profit or loss	(40)	(60)
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	485	653
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(152)	(202)
Balance at the end of the year	(339)	(394)

31 Commitments Liabilities and Contingencies
(to the extent not provided for)

(i) Contingent liabilities

The entities forming part of Restricted Group has contingent liability of INR 153 (31 March 2017: Nil) on account of liquidity damages claim (which is under litigation), INR 130 (31 March 2017: Nil) and INR on account of bank guarantee given to custom authorities and sales tax authorities.

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for

At 31 December 2017, the entities forming part of Restricted Group has capital commitment (net of advances) pertaining to commissioning of solar energy projects of INR 1,067 (31 March 2017: 3,672)

(Amounts in INR millions, unless otherwise stated)

32 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximations of fair values:

	31 December 2017		31 March 2017	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	887	887	3	3
Bank deposits with remaining maturity for more than twelve months	0	0	0	0
Trade receivables	1,174	1,174	518	518
Cash and cash equivalent	1,008	1,008	2,422	2,422
Bank balances other than cash and cash equivalent	1,210	1,210	562	562
Other current financial assets	528	528	482	482
Financial liabilities				
Long term borrowings	13,491	13,491	15,000	15,000
Short-term borrowings	6,814	6,814	3,949	3,949
Trade payables	349	349	285	285
Derivative instruments	1,214	1,214	1,031	1,031
Other current financial liabilities	9,469	9,469	2,628	2,628

The management of the entities forming part of Restricted Group assessed that current investments, cash and cash equivalents, trade receivables, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

i The fair values of the entities forming part of Restricted Group's term loans from banks and financial institutions 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 year. The own non-performance risk as at 31 December 2017 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsory convertible debentures are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii The entities forming part of Restricted 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.

33 Fair value hierarchy

The entities forming part of Restricted 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 Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the Company :-

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:

	Level of fair value measurement	31 December 2017		31 March 2017	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets not measured at amortised cost					
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 2	0	0	0	0
Total		**0**	**0**	**0**	**0**
Financial Assets (current): Loans					
Security deposits	Level 2	7	7	-	-
Loans to related parties	Level 2	880	880	-	-
Total		**887**	**887**	**-**	**-**
Financial Assets (Current): Others					
Generation based incentive receivable	Level 2	61	61	142	142
Recoverable from related parties	Level 2	14	14	0	0
Unbilled revenue	Level 2	387	387	299	299
Interest accrued on fixed deposits	Level 2	24	24	40	40
Interest accrued on loans to related parties	Level 2	42	42	1	1
Total		**528**	**528**	**482**	**482**

(Amounts in INR millions, unless otherwise stated)

Trade receivables	Level 2	**1,174**	**1,174**	**518**	**518**
Cash and bank balances					
Cash and cash equivalent	Level 2	1,008	1,008	2,422	2,422
Bank balances other than cash and cash equivalent	Level 2	1,210	1,210	562	562
Total		**2,218**	**2,218**	**2,984**	**2,984**
Financial liabilities not measured at amortised cost					
Long-term borrowings					
Compulsorily Convertible Debentures	Level 2	366	366	337	337
Liability component of preference shares	Level 2	45	45	41	41
Buyer's / Supplier's credit	Level 2	4,545	4,545	6,283	6,283
Term loan from banks	Level 2	8,181	8,181	8,339	8,339
Term loan from financial institutions	Level 2	354	354	-	-
Total		**13,491**	**13,491**	**15,000**	**15,000**
Short-term borrowings	Level 2	**6,814**	**6,814**	**3,949**	**3,949**
Trade payables	Level 2	**349**	**349**	**285**	**285**
Measured at fair value through OCI					
Derivative instruments	Level 2	1,214	1,214	1,031	1,031
Financial liabilities (Current): Others					
Current maturities of long term borrowings	Level 2	4,187	4,187	302	302
Interest accrued but not due on borrowings	Level 2	589	589	340	340
Interest accrued and due on borrowings	Level 2	4	4	-	-
Capital creditors	Level 2	4,689	4,689	1,986	1,986
Total		**9,469**	**9,469**	**2,628**	**2,628**

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets not measured at amortised cost			
Security deposits	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
Trade receivables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Generation based incentive receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities measured at fair value through OCI			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities not measured at amortised cost			
Compulsorily Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Liability component of preference shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan from banks	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan from financial institutions	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Buyer's / Supplier's credit	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Short-term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued and due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

34 Financial Risk Management objectives and policies

"The entities forming part of Restricted Group's principal financial liabilities comprise loans and borrowings, trade payables and other financial liabilities.
The main purpose of these financial liabilities is to finance the entities forming part of Restricted Group's operations and to support its operations. The Restricted Group's financial assets include loans, trade and other receivables, and cash & cash equivalents and other financial assets.

The entities forming part of Restricted Group is exposed to market risk, credit risk and liquidity risk. The entities forming part of Restricted Group's senior management oversees the management of these risks. The Restricted Group's senior management is supported by a various sub committees that advises on financial risks and the appropriate financial risk governance framework for the entities forming part of Restricted Group. These committees provides assurance to the Restricted Group's senior management that the entities forming part of the Restricted Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the entities forming part of Restricted Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

Market Risk

Market risk is the risk that the Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.
The sensitivity analyses in the following sections relate to the position as at 31 December 2017. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 December 2017.

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entities forming part of Restricted 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 the entities forming part of Restricted 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 entities forming part of Restricted Group also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. borrowings in INR and USD. With all other variables held constant, the entities forming part of Restricted Group's profit before tax is affected through the impact on financial assets, as follows:

	31 December 2017		31 December 2016	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-)50	(-)/+ 7	+/(-)50	(-)/+ 2
US Dollar	+/(-)60	(-)/+ 2	+/(-)60	(-)/+ 2
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-)50	(-)/+ 6	+/(-)50	(-)/+ (3)
US Dollar	+/(-)60	(-)/+ 2	+/(-)60	(-)/+ 3

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 entities forming part of Restricted Group have foreign currency exposures as on 31 December 2017. In case of foreign currency exposures, the entities forming part of Restricted Group monitors that the hedges do not exceed the underlying foreign currency exposure. The Restricted Group does not undertake any speculative transactions.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and INR exchange rates, with all other variables held constant. The impact on the profit before tax of the entities forming part of Restricted Group is due to changes in the fair value of monetary liabilities comprising of buyer's/supplier's credit in US dollars. The impact on the pre-tax equity of the entities forming part of Restricted Group is due to changes in the fair value of cross-currency interest-rate swaps (CCIRS) designated as cash flow hedges. The exposure to foreign currency of the entities forming part of Restricted Group changes for all other currencies is not material.

	31 December 2017		31 December 2016	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(22)	22	(24)	24

Credit Risk

Credit risk is the risk that the power procurer will not meet their obligations under a financial instrument or customer contract, leading to a financial loss. The respective entities under the Restricted Group are exposed to credit risk from their operating activities (primarily trade receivables) but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further the Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.
The maximum credit exposure to credit risk for the components of the balance sheet at 31 December 2017 and 31 March 2017 is the carrying amount of all the financial assets.

Trade Receivables

Customer credit risk is managed basis established policies of respective companies under the entities forming part of Restricted Group, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The entities forming part of Restricted Group does not hold collateral as security.

The entities forming part of Restricted Group has state utilities/government entities as it's customers with high credit worthiness, therefore, the entities forming part of Restricted Group does not see any risk related to credit. The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by the entities forming part of Restricted Group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the respective entities under the Restricted Group, and may be updated throughout the period subject to approval of Restricted 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.

(Amounts in INR millions, unless otherwise stated)

Liquidity Risk

Liquidity risk is the risk that the respective entities under the Restricted Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the respective entities under the Restricted Group to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.
The respective entities under the Restricted Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The entities forming part of Restricted Group have access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The entities forming part of Restricted Group rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind power plants and related assets. Our non-recourse financing is designed to limit cross default risk to the Parent Company or other subsidiaries and affiliates. Our non-recourse long-term debt is a combination of fixed and variable interest rate instruments. External commercial borrowings which are at variable rate is fixed through the use of cross currency interest rate swaps. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. In certain cases, the currency is matched through the use of derivative instruments. The majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

The table below summarizes the maturity profile of financial liabilities of the entities forming part of Restricted Group based on contractual undiscounted payments:

Period ended 31 December 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 year	> 5 year	Total
Borrowings						
Term loan from Banks	-	-	-	7,354	5,866	13,220
Loans from Financial Institutions	-	-	-	220	455	675
Buyer's credit	-	-	-	4,545	-	4,545
Compulsorily convertible debentures	-	-	-	-	366	366
Redeemable non cumulative preference shares	-	-	-	-	45	45
Short term borrowings						
Loans from related party	3,390	-	-	-	-	3,390
Acceptances	895	-	-	-	-	895
Buyer's / Supplier's credit	-	1,748	780	-	-	2,528
Other financial liabilities						
Current maturities of long term borrowings*	-	428	4,779	-	-	5,207
Interest accrued but not due on borrowings	393	197	-	-	-	590
Interest accrued and due on borrowings	4	-	-	-	-	4
Capital Creditors	3,730	960	-	-	-	4,689
Mark to market on derivatives	-	1,214	-	-	-	1,214
Trades payables	-	-	-	-	-	
Trades payables	188	161	-	-	-	349

* Including future interest payments.

Entities under Restricted Group expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 year	> 5 year	Total
Borrowings						
Term loan from Banks and financial institutions	-	-	-	7,613	7,145	14,758
Buyer's credit	-	-	-	6,283		6,283
Compulsorily convertible debentures	-	-	-		337	337
Redeemable non cumulative preference shares	-	-	-		41	41
Short term borrowings						-
Buyer's credit	-	1,175	-	-	-	1,175
Loans from related party	2,268	-	-	-	-	2,268
Acceptances	223	283	-	-	-	506
Other financial liabilities						-
Current maturities of long term borrowings*	-	197	1,164	-	-	1,361
Interest accrued but not due on borrowings	215	125	-	-	-	340
Capital Creditors	1,298	688	-	-	-	1,986
Mark to market on derivatives	257	-	774	-	-	1,031
Trades payables						-
Trades payables	243	42	-	-	-	285

* Including future interest payments.

35 Capital management

For the purpose of the capital management by the respective companies forming part of the entities forming part of Restricted Group, capital includes issued equity capital, compulsory convertible preference shares, compulsory convertible debentures, share premium and all other equity reserves attributable to the equity holders of the respective entities under the Restricted Group. The primary objective of the respective entities under the Restricted Group's capital management is to maximize the shareholder value.

The respective entities under the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the entities under the Restricted Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The respective entities under the Restricted Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The respective entities under the Restricted Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

The policy of the respective entities under the Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. In the construction phase the Group manages the ratio at 3:1 through internal funding.

In order to achieve this overall objective, the capital management by the respective entities under the Restricted Group, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 December 2017.

36 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Since these interim financial statements, disclosure under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, has not been made. The same shall be reported at the year end statutory financial statements.

37 Corporate social responsibility expenditure

Since these are interim financial statements, disclosure of expenditure on corporate social responsibility has not been made. The same shall be reported in the year end statutory financial statements.

38 Significant accounting judgments, estimates and assumptions

The preparation of Unaudited Special Purpose Combined Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The respective companies under the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the respective companies under the Restricted Group. Such changes are reflected in the assumptions when they occur.

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 respective companies under the Restricted 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

Basis legal opinion obtained, management is of the view that application of CERC and/or SERC rates for the purpose of accounting for depreciation expenses is not mandatory. Hence, respective companies under the Restricted Group are depreciating the assets bases on life as determined by an expert.

b) Estimates and assumptions

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 29 and 30 for further disclosures.

39 There are no employees on the rolls of the entities forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. ReNew Power Limited, the holding Company and ReNew Power Services Private Limited, a fellow subsidiary, allocate employee costs to the entities forming part of the Restricted Group as management shared services and is not separately identifiable.

40 During the period ended 31 December 2016, the ReNew Wind Energy (Rajasthan 3) Private Limited, an entity forming part of the Restricted Group has reached settlement with certain suppliers/contractors for compensation for loss of revenue on account of delay commissioning of Bhaseda project. Resultantly, an amount of INR 56 towards liquidated damages (LDs) has been recognised in the statement of profit & loss.
Since, the said LDs are directly linked to delay in creating profit making apparatus, the same has been considered as capital receipt and thus has not been included in Book Profit under section 115JB of the Income Tax Act, 1961. The same has also been supported by the opinion of the advisors of the company.

41 Absolute amounts less than INR 500,000 are appearing in the financial statements as "0" due to presentation in millions.

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
(Chief Financial Officer)
Place: Gurugram
Date: 11 February 2019

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **ReNew Power Limited (formerly known as ReNew Power Ventures Pvt. Ltd. and Renew Power Pvt. Ltd.) ("RPL")**

Report on Combined Financial Statements

We have audited the accompanying Special Purpose Combined Financial Statements of Restricted Group (consisting of certain specific subsidiaries of RPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group") which comprises of the combined Balance Sheet as at 31 March 2017, the combined Statement of Profit and Loss including other comprehensive income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the year then ended and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively, the "Combined Financial Statements").

The Combined Financial Statements have been prepared in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statements.

Management's responsibility for the Combined Financial Statements

RPL's Board of Directors is responsible for the preparation these Special Purpose Combined Financial Statements in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statement. This includes the design, implementation and maintenance of 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 Combined Financial Statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Special Purpose Combined Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the management's preparation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Combined Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements as at and for the year ended 31 March 2017

S.R. BATLIBOI & CO. LLP GURUGRAM

S.R. Batliboi & Co. LLP, a Limited Liability Partnership with LLP Identity No. AAB-4294
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

are prepared in all material respects, in accordance with the basis of preparation as set out in note 3 to those Special Purpose Combined Financial Statements.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 and 3 to the Special Purpose Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31 March 2017, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. The Special Purpose Combined Financial Statements has been prepared solely in connection with the proposed issuance of USD denominated Notes by each member of the Restricted Group for which the RPL is a guarantor and for inclusion in the Offering Memorandum. As a result, the combined financial statements may not be suitable for another purpose.

Other matter

The accompanying Special Purpose Combined Financial Statements include total assets of Rs. 501 million and net assets of Rs. (113) million as at 31 March 2017, and total revenues of Rs. 2 million and net cash inflows of Rs. 2 million for the year ended on that date, in respect of 4 entities forming part of the Restricted Group, which have been audited by other auditors, which financial statements, other financial information and auditors report have been furnished to us by the management. Our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the reports of such other auditors.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 11 February 2019

Restricted Group
Special Purpose Combined Balance Sheet as at 31 March 2017
(Amounts in INR million, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Assets				
Non-current assets				
Property, plant and equipment	4	14,103	10,138	3,147
Capital work in progress	4	8,977	189	114
Investment Property	5	1	-	-
Financial assets				
Loans	6	3	-	-
Others	6	0	0	-
Deferred tax assets (net)	7A	231	213	161
Prepayments	8	21	8	3
Other non-current assets	9	1,139	1,092	1,764
Total non-current assets		**24,475**	**11,640**	**5,189**
Current assets				
Financial assets				
Trade receivables	10	518	357	44
Cash and cash equivalent	11	2,422	448	133
Bank balances other than cash and cash equivalent	11	562	1,115	177
Derivative instruments	6	-	94	-
Others	6	482	175	32
Prepayments	8	17	5	0
Other current assets	9	25	38	35
Total current assets		**4,026**	**2,232**	**421**
Total assets		**28,501**	**13,872**	**5,610**
Equity and liabilities				
Equity				
Equity share capital	12A	218	118	91
Other equity				
Equity component of preference shares	12B	476	362	302
Equity component of compulsorily convertible debentures	12C	401	-	-
Share application money pending allotment	13.1	-	50	65
Securities Premium	13.2	4,965	3,041	2,266
Hedging reserve	13.3	(394)	(103)	(79)
Retained earnings	13.4	(310)	(310)	(226)
Total equity		**5,356**	**3,158**	**2,419**
Non-current liabilities				
Financial liabilities				
Long-term borrowings	14	15,000	7,489	2,386
Deferred tax liabilities (net)	7B	45	-	-
Other non-current liabilities	15	163	77	27
Total non-current liabilities		**15,208**	**7,566**	**2,413**
Current liabilities				
Financial liabilities				
Short-term borrowings	16	3,949	926	232
Trade payables	17			
Outstanding dues to micro enterprises and small enterprises		-	-	-
Others		285	56	7
Derivative instruments	18	1,031	118	85
Others	19	2,628	2,014	446
Other current liabilities	20	43	33	8
Short term provisions	21	1	1	-
Total current liabilities		**7,937**	**3,148**	**778**
Total liabilities		**23,145**	**10,714**	**3,191**
Total equity and liabilities		**28,501**	**13,872**	**5,610**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the combined financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 Feb 2019

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 Feb 2019

Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 Feb 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 Feb 2019

Restricted Group
Special Purpose Combined Statement of Profit and Loss for the year ended 31 March 2017
(Amounts in INR million, unless otherwise stated)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Income:			
Revenue from operations	22	1,784	467
Other income	23	390	99
Exceptional Items	40	-	120
Total Income		**2,174**	**686**
Expenses:			
Other expenses	24	283	92
Total expenses		**283**	**92**
Earning before interest, tax, depreciation and amortization (EBITDA)		**1,891**	**594**
Depreciation and amortization expense	25	494	244
Finance costs	26	1,086	472
Profit/(loss) before tax		**311**	**(122)**
Tax expense			
Current tax	7	57	2
Deferred tax	7	254	(40)
Profit/(loss) for the year	**(a)**	**0**	**(84)**
Other comprehensive income (OCI)			
(A) **Items that will not be reclassified to profit or loss in subsequent periods**			
Items that will be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		(420)	(35)
Income tax effect		129	11
Net other comprehensive loss that will be reclassified to profit or loss in subsequent periods	**(b)**	**(291)**	**(24)**
Total comprehensive loss for the year	**(a) + (b)**	**(291)**	**(108)**

Summary of significant accounting policies 3
The accompanying notes are an integral part of the combined financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurugram
Date: 11 Feb 2019

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Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 Feb 2019

Restricted Group

Special Purpose Combined Statement of Cash Flows for the year ended 31 March 2017

(Amounts in INR million, unless otherwise stated)

Particulars	**Year ended 31 March 2017**	**Year ended 31 March 2016**
Cash flow from operating activities		
Profit/(loss) before tax	**311**	**(122)**
Adjustments for:		
Depreciation expense	494	244
Interest income	(155)	(57)
Interest expenses	1,055	431
Operating profit/(loss) before working capital changes	**1,705**	**496**
Movement in working capital		
(Increase)/decrease in trade receivables	(161)	(313)
(Increase)/decrease in financial assets	(205)	(298)
(Increase)/decrease in prepayments	(24)	(9)
(Increase)/decrease in other assets	(167)	40
Increase/(decrease) in trade payables	230	48
Increase/(decrease) in other financial liabilities	501	1
Increase/(decrease) in other liabilities	97	78
Cash generated from operations	**1,976**	**43**
Direct taxes paid (net of refunds)	(257)	(32)
Net cash generated from operating activities	**1,719**	**11**
Cash flow from investing activities		
Purchase of Property, plant and equipment including capital work in progress, capital advances and capital creditors	(12,858)	(5,165)
Fixed deposits having original maturity more than 3 months	553	(938)
Interest received	150	31
Net cash used in investing activities	**(12,155)**	**(6,072)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	1,001	27
Proceeds from issue of preference shares (including premium)	1,137	769
Proceeds from issue of debentures	401	-
Shares application money received	-	50
Shares application money refunded	(50)	-
Proceeds from long-term borrowings	7,801	5,329
Repayment of long-term borrowings	(147)	(163)
Proceeds from short-term borrowings	6,099	985
Repayment of short-term borrowings	(2,887)	(291)
Interest paid	(945)	(330)
Net cash generated from financing activities	**12,410**	**6,376**
Net increase in cash and cash equivalents	**1,974**	**314**
Cash and cash equivalents at the beginning of the year	**448**	**133**
Cash and cash equivalents at the end of the year	**2,422**	**448**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	957	414
- On deposit accounts with original maturity of less than 3 months	1,465	34
Total cash and cash equivalents (refer note 11)	**2,422**	**448**

Summary of significant accounting policies (Refer Note 3)

The accompanying notes are an integral part of the combined financial statements

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurugram
Date: 11 Feb 2019

For and on behalf of the Restricted Group

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 Feb 2019

Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 Feb 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 Feb 2019

Restricted Group
Special Purpose Combined Statement of Changes in Equity for the year ended 31 March 2017
(Amounts in INR million, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group							Total Equity
					Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Equity Component of compulsorily convertible debentures	Share application money pending allotment	Share Premium	Retained Earnings	Hedging Reserve	
	(refer note 12A)	(refer note 12B)	(refer note 12C)	(refer note 13.1)	(refer note 13.2)	(refer note 13.4)	(refer note 13.3)	
At 1 April 2015	**91**	**302**	-	**65**	**2,266**	**(226)**	**(79)**	**2,419**
Loss for the year	-	-	-	-	-	(84)	-	(84)
Other comprehensive income/(loss)	-	-	-	-	-	-	(24)	(24)
Total Comprehensive Income/(Loss)	**-**	**-**	**-**	**-**	**-**	**(84)**	**(24)**	**(108)**
Equity shares issued during the year	27	-	-	-	240	-	-	267
Preference shares issued during the year	-	60	-	(65)	537	-	-	532
Amount utilized for issue of preference shares	-	-	-	-	(2)	-	-	(2)
Share application money received	-	-	-	50	-	-	-	50
Share application money refundable at year end	-	-	-	-	-	-	-	-
At 31 March 2016	**118**	**362**	**-**	**50**	**3,041**	**(310)**	**(103)**	**3,158**
Profit for the year	-	-	-	-	-	0	-	0
Other comprehensive income	-	-	-	-	-	-	(291)	(291)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**0**	**(291)**	**(291)**
Equity shares issued during the year	100	-	-	-	901	-	-	1,001
Preference shares issued during the year	-	114	-	(50)	1,025	-	-	1,089
Amount utilized for issue of preference shares					(2)		-	(2)
Issue of compulsorily convertible debentures	-	-	401	-	-	-	-	401
At 31 March 2017	**218**	**476**	**401**	**-**	**4,965**	**(310)**	**(394)**	**5,356**

The accompanying notes are an integral part of the combined financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 Feb 2019

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Place: Gurugram
Date: 11 Feb 2019

Company Secretary
Ashish Jain
Membership No.: F6508
Place: Gurugram
Date: 11 Feb 2019

(Amounts in INR million, unless otherwise stated)

1 General information

ReNew Power Limited is a public limited company (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') (referred to as the "Parent" or "RPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPL) which are collectively referred to as the 'Restricted Group' (as more clearly explained in the note below) intend to issue US Dollar denominated Notes and their listing on Singapore Exchange Securities Trading Limited (SGX-ST) to refinance their existing debt.

Certain subsidiary companies of the Parent companies which are collectively known as the 'Restricted Group' comprise of the following legal entities:

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited	ReNew Power Limited #
Kanak Renewables Limited	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

#Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

The Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on 11 February 2019.

2 Purpose of Special Purpose Combined Financial Statements

The Ind AS Combined financial statements are special purpose financial statements which have been prepared for purpose of the proposed issue of USD denominated notes by each member of the Restricted Group. These Special Purpose Combined financial statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined financial statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The special purpose combined financial statements of the Restricted Group have been prepared in accordance with recognition and measurement principles under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

Management of the Parent company has prepared the special purpose Combined financial statements which comprise the Combined Balance Sheet as at 31 March 2017, the Combined Statement of Profit and Loss, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2017, a summary of the significant accounting policies and other explanatory information.
Management has prepared these Special Purpose Combined financial statements to depict the historical cost of the Restricted Group except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

All intercompany transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties of entities forming part of the Restricted Group but not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

The Special Purpose Combined financial statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

3.2 Basis of combination

The special purpose combined financial statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities forming part of restricetd group have been eliminated and profits or losses arising from intragroup transactions that are recognised in assets, such as inventory and fixed assets have been eliminated in full.

3.3 Summary of Significant Accounting Policies

(a) Use of estimates

The preparation of Special Purpose Combined Financial Statements is in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Current versus non-current classification

The entities forming part of Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:
- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The entities forming part of the Restricted Group have identified twelve months as their operating cycle for classification of their current assets and liabilities.

c) Fair value measurement

The entities forming part of the Restricted Group measure financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the entities forming part of the Restricted Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The entities forming part of the Restricted Group use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the entities forming part of the Restricted Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 33).

At each reporting date, the management of the entities forming part of the Restricted Group analyse 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 entities forming part of Restricted Group.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the entities forming part of the Restricted Group determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
- Disclosures for significant estimates and assumptions (Refer Note 41)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 33)
· Financial instruments (including those carried at amortised cost) (Refer Note 32)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entities forming part of the Restricted Group and the revenue can be reliably measured, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:-

Sale of Power
Income from supply of wind power is recognized on the supply of units generated from the plant to the grid, as per the terms of the PPA entered into with the state electricity board/ private customers.

Income from Liquidated damages and interest on advances
Income from liquidated damages and interest on advance is recognised after certainty of receipt of the same is established.

Dividend
Dividend income is recognised when the right of the entities forming part of the Restricted Group to receive dividend is established by the reporting date.

Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the entities forming part of the Restricted Group estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Income from government grants
Refer note (g) for accounting policy.

e) Foreign currencies

The Special Purpose Combined Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the companies operate.

Transactions and balances
Transactions in foreign currencies are initially recorded by the entities forming part of Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items that are measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

f) Income taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In situations where the entities forming part of the Restricted Group are entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the entities forming part of the Restricted Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax
Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entities forming part of the Restricted Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the entities forming part of the Restricted Group.

g) Government grants
Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant related to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the entities forming part of the Restricted Group receive grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

The entities forming part of the Restricted Group presents grants related to an expense item as other income in the Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive
Generation based incentive is recognized on the basis of supply of units generated by the entities forming part of the Restricted Group to the state electricity board from the eligible project in accordance with the scheme of the "Generation Based Incentive (GBI) for Grid interactive Wind Power Projects"

h) Property, plant and equipment

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the entities forming part of the Restricted Group depreciate them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent Costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the entities forming part of the Restricted Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

As permitted by Ind AS 101 First-time Adoption of Indian Accounting Standards, the company has continued to apply paragraph 46A of AS 11 The Effects of changes in Foreign Exchange Rates under Indian GAAP.

Accordingly, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company do not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

i) Depreciation expense
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Years
Plant and equipment (wind and solar power projects)*	18-25
Furniture & fixture	10
Office equipment	5
Computers	3
Computer servers	6

* Based on an external technical assessment, the management believes that the useful lives as given above and residual value of 0%-5%, best represents the period over which management expects to use its assets and its residual value. The useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Exceptional items
Exceptional items refer to items of income or expense within the income statement from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the entities forming part of the Restricted Group.

k) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs consist of interest, discount on issue, premium payable on redemption and other costs that an entity incurs in connection with the borrowing of funds (this cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs). The borrowing costs are amortised basis the Effective Interest Rate (EIR) method over the term of the loan. The EIR amortisation is recognised under finance costs in the Statement of Profit or Loss. The amount amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

l) Impairment of non-financial assets

The entities forming part of the Restricted 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 entities forming part of the Restricted Group estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre -tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The entities forming part of the Restricted Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Restricted Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the entities forming part of the Restricted Group extrapolate cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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 entities forming part of the Restricted Group estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognize contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit plan in India, viz., gratuity. The cost of providing benefit under this plan is determined on the basis of actuarial valuation at each year-end carried out using the projected unit cost method.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognized in the net interest on the defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats the accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are determined on the basis of actuarial valuation at each year-end carried out using the projected unit cost method. Remeasurements comprising of actuarial gain and losses are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The Company presents the leave as current liability in the balance sheet, to the extent is does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Past service costs are recognised in Statement of Profit or Loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

n) Provisions

Provisions are recognised when the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the entities forming part of the Restricted Group commit to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of the Restricted Group recognize interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the entities forming part of the Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The entities forming part of the Restricted Group have not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entities forming part of the Restricted Group may make an irrevocable election to present the subsequent changes in the fair value in OCI. The entities forming part of the Restricted Group make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the entities forming part of the Restricted Group decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the entities forming part of the Restricted Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Other equity investments
All other 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 company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- The rights to receive cash flows from the asset have expired, or
- The entities forming part of the respective Restricted Group have 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 entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the entities forming part of the Restricted Group continue to recognise the transferred asset to the extent of the continuing involvement of the entities forming part of the Restricted Group. In that case, the entities forming part of the Restricted Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the entitie forming part of Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure. The entities forming part of the Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the entities forming part of the Restricted 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 entities forming part of the Restricted Group determine that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss (P&L).

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The financial liabilities of the entities forming part of the Restricted Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement
The measurement of financial liabilities depends on their classification as discussed below:-

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

The entities forming part of the Restricted Group recognise debt modifications agreed with lenders to restructure their existing debt obligations. Such modifications are done to take advantage of falling interest rates by cancelling the exposure to high interest fixed rate debt, pay a fee or penalty on cancellation and replace it with debt at a lower interest rate (exchange of old debt with new debt). The qualitative factors considered to be relevant for modified financial liabilities include, but are not limited to, the currency that the debt instrument is denominated in, the interest rate (that is fixed versus floating rate), conversion features attached to the instrument and changes in covenants. The accounting treatment is determined depending on whether modifications or exchange of debt instruments represent a settlement of the original debt or merely a renegotiation of that debt. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Compound Instruments- Compulsorily Convertible Debentures (CCDs)

The entities forming part of the Restricted Group determine classification of compound financial instruments at initial recognition.

Basis the terms of these compound financial instruments, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. 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.

The entities forming part of the Restricted Group recognise interest, dividends, losses and gains relating to such financial instrument or a component that is a financial liability as income or expense in profit or loss.

Redeemable non cumulative preference shares (RNCPS) and Convertible Preference Shares (CCPS)

Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

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.

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.

p) Cash and Cash-Equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they considered an integral part of the entities forming part of the Restricted Group's cash management.

q) Measurement of EBITDA

The Restricted Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Restricted Group measure EBITDA on the basis of profit/ (loss) from continuing operations. In their measurement, the companies include interest income but do not include depreciation and amortization expense, finance costs and tax expense.

r) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The entities forming part of the Restricted Group do not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The entities forming part of the Restricted Group make disclosures in the financial statement in cases of significant events.

s) 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 entities forming part of the Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

t) Investment property

Investment properties comprise significant portions of freehold land that are held for capital appreciation. Investment properties are initially recognised at cost.

u) Standards issued but not yet effective

Ind AS 115 Revenue from Contracts with Customers

Revenue from contracts with customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entities forming part of the Restricted Group expect to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The entities forming part of the Restricted Group have evaluated the requirements of the new standard for the year ending 31st March 2017 and there has been no impact on the financial statements.

(Amounts in INR million, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land#	Plant and equipment	Computers	Total Property, plant and equipment	Capital work in progress
Cost					
At 1 April 2015	**33**	**3,114**	-	3,147	**114**
Additions during the year**	0	7,235	-	7,235	7,310
Capitalised during the year	-	-	-	-	(7,235)
At 31 March 2016	**33**	**10,349**	-	**10,382**	**189**
Additions during the year**	1,214	3,245	0	4,459	12,047
Adjustment during the year*	-		-	-	(14)
Capitalised during the year	-	-	-	-	(3,245)
At 31 March 2017	**1,247**	**13,594**	**0**	**14,841**	**8,977**
Depreciation					
Charge for the year (refer note 25)		244	-	244	-
At 31 March 2016	-	**244**	-	**244**	-
Charge for the year (refer note 25)	-	494	0	494	-
At 31 March 2017	-	**738**	**0**	**738**	-
Net book value					
At 1 April 2015	**33**	**3,114**	-	**3,147**	**114**
At 31 March 2016	**33**	**10,105**	-	**10,138**	**189**
At 31 March 2017	**1,247**	**12,856**	**0**	**14,103**	**8,977**

The titles of freehold land amounting to INR 352 (31 March 2016 INR: Nil; 1 April 2015 INR: Nil) is held by way of General Power of Attorney and the entities forming part of Restricted Group are in process of registration of title deeds of these freehold lands.

* The same is incurred on behalf of related parties, refer note 29

****Capitalised borrowing costs**

The amount of borrowing costs capitalised in capital work in progress during the year ended 31 March 2017 was INR 849 (31 March 2016 INR 182, 1 April 2015: INR 62). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate (ranges between 11.19% - 12.92%) of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:

Property, plant and equipment with a carrying amount of INR 23,082 (31 March 2016: INR 10,221, 1 April 2015: INR 3,247) are subject to a pari passu first charge to respective lenders for project term loans, buyer's/supplier's credit and acceptances as disclosed in Note 14 and Note 16.

(Amounts in INR million, unless otherwise stated)

5 Investment Property

	Investment Property
Cost	
At 1 April 2015	-
Additions during the year	-
At 31 March 2016	-
Additions during the year	1
At 31 March 2017	**1**
Net book value	
At 1 April 2015	-
At 31 March 2016	-
At 31 March 2017	**1**

Reconciliation of Fair value

	Amount
Opening balance as at 4 March 2015	-
At 31 March 2016	-
Purchases	1
At 31 March 2017	**1**

(Amounts in INR million, unless otherwise stated)

6 Financial assets	**31 March 2017**	**31 March 2016**	**1 April 2015**
Non-current (unsecured, considered good unless stated otherwise)			
Loans			
Secured good	-	-	
Unsecured good			
Security deposits	3	-	-
Total	**3**	**-**	**-**
Loans which have significant increase in credit risk	-	-	
Loans - credit impaired	-	-	
Others			
Bank deposits with remaining maturity for more than twelve months (refer note 11)	0	0	-
Total	**0**	**0**	**-**
Current			
Loans			
Secured good	-	-	-
Loans			
Unsecured good			
Security Deposits	-	-	-
Total	**-**	**-**	**-**
Loans which have significant increase in credit risk			
Loans - credit impaired			
Financial assets at fair value through OCI			
Cash flow hedges			
Derivative instruments	(0)	94	-
Total	**(0)**	**94**	**-**
Others			
Government grants*			
- Generation based incentive receivable	142	41	7
Recoverable from related parties (refer note 29)	0	0	0
Unbilled revenue	299	98	14
Interest accrued on fixed deposits	40	36	11
Interest accrued on loans to related parties (refer note 29)	1	-	
Total	**482**	**175**	**32**

* Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

7A Deferred tax assets (net)
Deferred tax relates to the following:

Deferred tax related to items recognised in OCI:		**31 March 2017**	**31 March 2016**	**1 April 2015**
Deferred tax assets (gross)				
Loss on mark to market of derivative instruments		142	46	35
	(a)	**142**	**46**	**35**
Deferred tax related to items recognised in statement of profit and loss:				
Deferred tax liabilities (gross)				
Difference in written down value as per books of account and tax laws		224	46	14
Compound Financial Instruments		-	15	16
	(b)	**224**	**61**	**30**
Deferred tax assets (gross)				
Provision for Operation and maintenance equalisation		-	9	3
Losses available for offsetting against future taxable income		167	219	153
Unused tax credits (MAT)		42	-	
Liability component of compound financial instruments		104	-	
Preliminary expenses not written off under tax laws		-	0	0
	(c)	**313**	**228**	**156**
Deferred tax assets (net)	**(a)-(b)+(c)**	**231**	**213**	**161**

(Amounts in INR million, unless otherwise stated)

7B Deferred tax liabilities (net)

Deferred tax relates to the following:

Deferred tax related to items recognised in OCI:

		31 March 2017	31 March 2016	1 April 2015
Deferred tax assets (gross)				
Loss on mark to market of derivative instruments		34	-	-
	(e)	**34**	**-**	**-**

		31 March 2017	31 March 2016	1 April 2015
Deferred tax liabilities (gross)				
Difference in written down value as per books of account and tax laws		68	-	-
Liability component of compound financial instruments		14	-	-
	(f)	**82**	**-**	**-**
Deferred tax assets (gross)				
Provision for Operation and maintenance equalisation		3	-	-
Preliminary expenses not written off under tax laws		0	-	-
	(g)	**3**	**-**	-
Deferred tax liabilities (net)	**(f)-(e)-(g)**	**45**	**-**	**-**

a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2016:

	31 March 2017	31 March 2016
Accounting profit before income tax	**311**	**(122)**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	69	2
Deferred tax expense/(income) reported in the statement of profit and loss*	254	(40)
Income not chargeable to tax:		
Other income	(1)	-
Non-deductible expenses for tax purposes:		
Deductible expenses for tax purposes:		
Brought forward losses and unabsorbed depreciation	(8)	-
Decrease in book profit on account of transition amount adjusted in other equity	(3)	-
At the effective income tax rate	**311**	**(38)**
Current tax expense reported in the statement of profit and loss	57	2
Deferred tax expense/(income) reported in the statement of profit and loss	254	(40)
	311	**(38)**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	217	(63)
Preliminary expenses not written off under tax laws	0	(0)
Operation and maintenance equalisation expenses	7	(6)
Difference in WDV as per books of accounts and tax laws	79	32
Compound financial instruments	(8)	(1)
Unused tax credit (MAT)	(41)	-
	254	**(38)**

Reconciliation of deferred tax assets (net):

	31 March 2017	31 March 2016
Opening balance of DTA/DTL (net)	**212**	**161**
Deferred tax expense/(income) during the year recognised in profit or loss	(254)	40
Deferred tax income/(expense) during the period recognised in OCI	130	11
Deferred tax on initial recognition of compound financial instruments (netted through equity)	98	-
Closing balance of DTA/DTL (net)	**186**	**212**

The entities forming part of Restricted Group has tax losses and unabsorbed depreciation which arose in India of INR 341 (31 March 2016: INR 763, 1 April 2015: INR 497). The unabsorbed depreciation can be carried forward indefinately as per the Income Tax Act.

Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 2 (31 March 2016: INR 180, 1 April 2015: INR 167). Majority of these losses will expire in 2023-2024. The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 338 (31 March 2016: INR 870, 1 April 2015: INR 329).

The entities forming part of restricted group has recognised deferred tax asset of INR Nil, (31 March 2016: INR 217, 1 April 2015: INR 153) in respective entity utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

The expiry period of MAT credit is 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.

(Amounts in INR million, unless otherwise stated)

		31 March 2017	31 March 2016	1 April 2015
8	**Prepayments**			
	Non-current (unsecured, considered good unless otherwise stated)			
	Prepaid expenses	21	8	3
	Total	**21**	**8**	**3**
	Current (unsecured, considered good unless otherwise stated)			
	Prepaid expenses	17	5	0
		17	**5**	**0**

		31 March 2017	31 March 2016	1 April 2015
9	**Other assets**			
	Non-current (unsecured, considered good unless otherwise stated)			
	Capital advance	979	1,021	1,630
	Advances recoverable in cash or kind	73	-	67
	Advance income tax (net of income tax provisions)	61	51	7
	Security deposits	0	0	25
	Maharashtra VAT recoverable	26	20	20
	Unamortized option premium	-	-	15
	Total	**1,139**	**1,092**	**1,764**
	Current (Unsecured, considered good unless otherwise stated)			
	Unamortized option premium	-	16	33
	Advances recoverable	25	20	2
	Balances with Government authorities	0	-	-
	TDS recoverable	-	2	-
	Others	-	0	-
	Security deposits	-	0	-
	Total	**25**	**38**	**35**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the entities forming part of Restricted Group. The carrying value may be affected by changes in the credit risk of the counter parties.

		31 March 2017	31 March 2016	1 April 2015
10	**Trade receivables**			
	Unsecured, considered good unless stated otherwise	518	357	44
	Secured, considered good	-	-	
	Receivables which have significant increase in credit risk	-	-	
	Receivables - credit impaired	-	-	
	Total	**518**	**357**	**44**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

		31 March 2017	31 March 2016	1 April 2015
11	**Cash and cash equivalents**			
	Cash and cash equivalents			
	Balance with bank			
	- On current accounts	957	414	133
	- Deposits with original maturity of less than 3 months	1,465	34	
		2,422	**448**	**133**
	Bank balances other than cash and cash equivalents			
	Deposits with			
	- Remaining maturity for less than twelve months*	562	1,115	177
	- Remaining maturity for more than twelve months	0	-	
		562	**1,115**	**177**
	Less: amount disclosed under other financial assets (refer note 6)	(0)	-	-
	Total	**562**	**1,115**	**177**

*Fixed deposits of INR 542 (31 March 2016: INR 594, 1 April 2015: INR 145) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA). Fixed deposits of INR 290 (31 March 2016: INR Nil, 1 April 2015: INR Nil) have been given as margin money to RABO Bank International for the purpose of isssue of letter of credit/ bank guarantee."

The bank deposits have an original maturity period of 31 to 367 days and carry an interest rate of 4.7% to 7.40% which is receivable on maturity.

(Amounts in INR million, unless otherwise stated)

12 Share capital

The special purpose combined financial statements do not represent a legal entity structure. The share capital of the Restricted Group is the summation of the share capital of the respective entities of the Restricted Group.

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2015	12,290,800	123
Increase during the year	2,875,000	29
At 31 March 2016	15,165,800	152
Increase during the year	10,013,090	100
At 31 March 2017	**25,178,890**	**252**

0.001% redeemable non cumulative preference shares of INR 10 each	Number of shares	Amount
At 1 April 2015	2,000,000	20
At 31 March 2016	2,000,000	20
At 31 March 2017	**2,000,000**	**20**

0.0001% compulsorily convertible preference shares of INR 10 each

At 1 April 2015	21,000,000	210
Increase during the year	2,825,000	28
At 31 March 2016	23,825,000	238
Increase during the year	12,236,950	122
At 31 March 2017	**36,061,950**	**360**

Issued share capital

12A Equity shares of INR 10 each issued, subscribed and fully paid up	Number of shares	Amount
At 1 April 2015	9,119,000	91
Shares issued during the year	2,685,000	27
At 31 March 2016	11,804,000	118
Shares issued during the year	10,010,975	100
At 31 March 2017	**21,814,975**	**218**

Terms/rights attached to equity shares

The entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the entities forming part of Restricted Group will pay dividends in Indian rupees.
In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective Company.

12B Equity component of preference shares:

0.001% redeemable non cumulative preference shares (RNCPS) of INR 10 each (including share premium of INR 90 each)	Number of shares	Total proceeds	Liability component (Refer note 14)	Equity component *
At 1 April 2015	1,881,220	188	32	140
Accretion during the year	-	-	4	-
At 31 March 2016	1,881,220	188	36	140
Accretion during the year	-	-	5	-
At 31 March 2017	**1,881,220**	**188**	**41**	**140**

(*Adjusted for deferred tax at inception)

0.0001% compulsorily convertible preference shares (CCPS) of INR 10 each	Number of shares	Amount
At 1 April 2015	16,248,850	162
Shares issued during the year	5,967,120	60
At 31 March 2016	22,215,970	222
Shares issued during the year	11,384,825	114
At 31 March 2017	**33,600,795**	**336**

At 1 April 2015	**302**
At 31 March 2016	**362**
At 31 March 2017	**476**

(Amounts in INR million, unless otherwise stated)

Terms/rights attached to preference shares

0.0001% redeemable non cumulative preference shares (RNCPS)

Renew Wind Energy (Devgarh) Private Limited has issued 1,881,220 RNCPS in FY 2014-15 of Rs.10 each fully paid-up at a premium of Rs. 90 per share. RNCPS carry non cumulative dividend @ 0.0001%. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting and conversion rights. RNCPS shall be redeemed at Rs. 100 per share on March 31, 2030 or as may be determined by the Board in one or more tranches and agreed by the preference shareholder.

In the event of any Liquidation of the Company, the RNCPS shall be entitled to receive an amount that equal to the Face value of preference share and such Dividend in arrear, if any, declared and remained unpaid. The RNCPS shall also have right to participate in surplus assets & profits of the respective entity, which may remain after the entire capital (both equity share capital and Preference share capital) has been repaid, to the extent of Rs 90 per share.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)

ReNew Wind Energy (Rajasthan 3) Private Limited has issued 16,248,850 0.0001% CCPS during F.Y. 2014-15 and 3,542,120 0.0001% CCPS during F.Y. 2015-16, ReNew Saur Urja Private Limited has issued 4,100,000 0.0001% CCPS during F.Y. 2017-18 and 6,549,000 0.0001% CCPS during F.Y. 2016-17 and ReNew Solar Energy (Telangana) Private Limited has issued 48,35,825 0.0001% CCPS during FY 2016-17 and 16,25,000 0.0001% CCPS during FY 2015-16.
CCPS are having face value of INR 10 each fully paid-up at a premium of INR 90 per share.
CCPS carry non cumulative dividend @ 0.0001%. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable.
CCPS issued by ReNew Wind Energy (Rajasthan 3) Private Limited and ReNew Saur Urja Private Limited would be compulsorily converted into Equity Shares of the Company at the price of INR 100 (Rupees Hundred) per share on March 31, 2030 and on March 31, 2035 respectively in the ratio of 1 equity shares : 1 preference shares.
CCPS issued by ReNew Solar Energy (Telangana) Private Limited would be converted into Equity shares anytime before the mandatory conversion date at the option of the holder. However, the same shall automatically stand converted into Equity shares of the Company at the price of Rs.100/-(Rupees Hundred) per share on 20th aniversary in the ratio of 0.95 equity shares:1 preference shares.

In the event of Liquidation of the Company, the holders of CCPS shall be paid 1 times the face value of CCPS and such dividend in arrear, if any, declared and remained unpaid. The said preference shares shall have right to participate in surplus assets & profits of the respective entity on winding up, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of INR 90 per preference share.

12C Equity component of compulsory convertible debentures

8% Compulsorily convertible debentures (CCDs) of INR 105 each	**Number of debentures**	**Total proceeds**	**Liability component (refer note 14)**	**Equity component***
At 31 March 2016	-	-	-	-
Debentures issued during the year	5,903,630	620	317	401
Accretion during the year			20	
At 31 March 2017	**5,903,630**	**620**	**337**	**401**

(*Adjusted for deferred tax at inception)

Terms of conversion of CCDs

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., August 22, 2036 and September 20, 2036 in accordance with the terms of the JVA at conversion ratio of 1:1. CCD carry an interest coupon rate of 8% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights.

12D Shares held in the Restricted Group entities

	31 March 2017		**31 March 2016**		**1 April 2015**	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
ReNew Power Limited*						
Equity shares of INR 10 each	8,949,000	89	11,784,000	118	9,109,000	91
0.001% redeemable non cumulative preference shares of INR 10 each	1,881,220	19	1,881,220	19	1,881,220	19
0.0001% compulsorily convertible preference shares of INR 10 each	19,790,970	197	21,415,970	213	16,248,850	162
ReNew Solar Power Private Limited*						
Equity shares of INR 10 each	6,649,827	66	20,000	0	10,000	0
0.0001% compulsorily convertible preference shares of INR 10 each	13,809,825	138	800,000	8	-	-
Suzlon Energy Limited*						
Equity shares of INR 10 each	40	0	-	-	-	-

*Refer Note 29

(Amounts in INR million, unless otherwise stated)

12E Details of shareholders holding more than 5% shares in the Restricted Group

	31 March 2017		31 March 2016		1 April 2015	
	Number	% Holding	Number	% Holding	Number	% Holding
ReNew Power Limited*						
Equity shares of INR 10 each	8,949,000	41%	11,784,000	99.83%	9,109,000	99.89%
0.001% redeemable non cumulative preference shares of INR 10 each	1,881,220	100%	1,881,220	100.00%	1,881,220	100.00%
0.0001% compulsorily convertible preference shares of INR 10 each	19,790,970	59%	21,415,970	96.40%	16,248,850	100.00%
ReNew Solar Power Private Limited*						
Equity shares of INR 10 each	6,649,827	30%	20,000	0.17%	10,000	0.11%
0.0001% compulsorily convertible preference shares of INR 10 each	13,809,825	41%	800,000	3.60%	-	-
Hareon Solar Singapore Private Limited						
Equity shares of INR 10 each	6,216,108	28%	-	0.00%	-	0.00%

As per the records of the respective entities forming part of the restricted group, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

*Refer Note 26

13 Other equity

13.1 Share application money pending allotment

At 1 April 2015	65
Share application money received	50
Preference shares issued during the year	(65)
	50
Preference shares issued during the period	(50)
At 31 March 2017	-

13.2 Securities Premium

At 1 April 2015	**2,266**
Premium on issue of equity shares during the year	240
Premium on issue of preference shares during the year	537
Amount utilized against writing off issue expenses for preference shares	(2)
At 31 March 2016	**3,041**
Premium on issue of Equity shares during the year	901
Premium on issue of preference shares during the year	1,025
Amount utilized against writing off issue expenses for preference shares	(2)
At 31 March 2017	**4,965**

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 ccordance with the provisions of the Companies Act, 2013.

13.3 Hedging Reserve

At 1 April 2015	(79)
Losses arising during the year on hedges (Refer Note 31)	(24)
At 31 March 2016	**(103)**
Losses arising during the year on hedges (Refer Note 31)	(291)
At 31 March 2017	**(394)**

Nature and Purpose
The respective entities forming part of Restricted 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, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

13.4 Retained Earnings

At 1 April 2015	(226)
Loss for the year	(84)
At 31 March 2016	**(310)**
Loss for the year	0
At 31 March 2017	**(310)**

(Amounts in INR million, unless otherwise stated)

14 Long-term borrowings	Nominal interest rate %	Maturity	Non-current			Current		
			31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Term loan from bank (secured)	3 month libor plus 3.62% - 6 months libor plus 4.23% p.a. 11.20% - 11.70%	Sept 2026 - March 2035	8,339	7,453	2,354	302	150	153
Buyer's / Supplier's credit (secured)	6 month LIBOR + (0.45%-0.99%)	December 2019	6,283	-	-	-	-	-
Liability component of preference shares (secured) (refer note 12B)	12.46%	March 2030	41	36	32	-	-	
Liability component of compulsory convertible debentures (refer note 12C)	8%	September 2036	337	-		-	-	
Total long-term borrowings			**15,000**	**7,489**	**2,386**	**302**	**150**	**153**
Amount disclosed under the head 'Other current financial liabilities' (Refer Note 19)			-	-		(302)	(150)	(153)
			15,000	**7,489**	**2,386**	**-**	**-**	**-**

Notes:

(i) Compulsorily Convertible Debentures (CCD) 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.

(ii) Term loan from banks are secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.

(iii) Buyer's/ Supplier's credit are secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

(iv) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding Company.

(v) ReNew Power Limited, the holding company, has pledged 8,948,998 (31 March 2016: 8,948,998 , 1 April 2015: 8,938,999) equity shares and 18,130,070 (31 March 2016: 21,672,190, 1 April 2015: 1,881,220) preference shares of the entities forming part of Restricted Group in favour of security trustee on behalf of lenders.

(vi) ReNew Solar Power Private Limited, the holding company, has pledged 6,474,926 (31 March 2016: Nil, 1 April 2015: Nil) equity shares and 11,310,825 (31 March 2016: Nil, 1 April 2015: Nil) preference shares of the entities forming part of Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR million, unless otherwise stated)

15	**Other non-current liabilities**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Provision for operation and maintenance equalisation	163	77	27
	Total	**163**	**77**	**27**

16	**Short term borrowings**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Acceptances (secured)*	506	-	-
	Loan from related party (unsecured)** (refer note 29)	2,268	926	232
	Buyer's credit ***	1,175	-	
	Total	**3,949**	**926**	**232**

*Acceptances are secured by first pari passu charge over all present and future current assets and movable fixed assets of the entities forming part of the Restricted Group of respective projects for which such acceptances are taken. Pledge of 51% equity and preference shares held by RSPPL and carried interest at nil.

**Unsecured loan from related party is repayable on demand and carries interest at yield on government securities of 3 years period, i.e. 8.00% per annum.

*** Buyer's/supplier's credit carries an interest rate of 2 Month Libor +.09 to 2 Month Libor +.25 is secured by way of mortgage of title deeds, 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, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company, deposits of post dated cheques in accordance with repyaments schedule of principal loan and interest.

17	**Trade payables**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Current			
	Outstanding dues to micro enterprises and small enterprises			-
	Others	285	56	7
	Total	**285**	**56**	**7**

18	**Derivative instruments**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Financial liabilities at fair value through OCI			
	Cash flow hedges			
	Derivative instruments	1,031	118	85
	Total	**1,031**	**118**	**85**

19	**Other current financial liabilities**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Financial liabilities at amortised cost			
	Current maturities of long term borrowings (Refer note 14)	302	150	153
	Others			
	Interest accrued but not due on borrowings	340	77	38
	Capital creditors	1,986	1,787	255
	Total	**2,628**	**2,014**	**446**

20	**Other current liabilities**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Provision for operation and maintenance equalisation	8		
	Statutory dues			
	TDS payable	34	33	8
	Service tax payable	0	0	0
	WCT payable	1	-	-
	Total	**43**	**33**	**8**

21	**Short term Provisions**	**31 March 2017**	**31 March 2016**	**1 April 2015**
	Income tax provision (net of advance tax)	1	1	-
	Total	**1**	**1**	**-**

(Amounts in INR million, unless otherwise stated)

22 Revenue from operations

	For the year ended 31 March 2017	For the year ended 31 March 2016
Income from operations		
Sale of power	1,784	467
Total	**1,784**	**467**

23 Other income

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest income		
- on fixed deposit with banks	115	57
- on loan to related parties (refer note 29)	1	-
- Income tax refund	-	0
- others	39	-
Insurance claim received	13	-
Government grant		
- Generation based incentive	144	42
Miscellaneous income	2	0
Foreign Exchange gain (net)	20	-
Damage claim for loss of revenue (refer note 39)	56	-
Total	**390**	**99**

24 Other expenses

	For the year ended 31 March 2017	For the year ended 31 March 2016
Legal and professional fees	27	6
Corporate social responsibility (refer note 38)	1	
Travelling and conveyance	2	1
Rent	0	-
Printing and stationery	0	-
Management shared services (Refer Note 29)	68	22
Rates and taxes	7	3
Payment to auditors (Refer detail below)	1	1
Insurance	10	2
Operation and maintenance	133	55
Repair and maintenance		
- plant and machinery	2	0
Security charges	4	-
Communication costs	0	-
Loss on ineffective portion on hedges (net)	12	-
Miscellaneous expenses	16	2
Total	**283**	**92**

Payment to Auditors	For the year ended 31 March 2017	For the year ended 31 March 2016
As auditor:		
Audit fee	1	1
Reimbursement of expenses	0	0
In other capacity:		
Other services (certification fees)	-	0
	1	**1**

25 Depreciation and amortization expense

	For the year ended 31 March 2017	For the year ended 31 March 2016
Depreciation of tangible assets (refer note 4)	494	244
Total	**494**	**244**

26 Finance costs

	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest expense on		
- term loans	947	382
- loan from related party (refer note 29)	85	35
- acceptance	-	10
- buyer's/supplier's credit	19	-
- liability component of redeemable non-cumulative preference shares	5	4
- others	0	-
Bank charges	14	8
Amortization of option premium	16	33
Total	**1,086**	**472**

(Amounts in INR million, unless otherwise stated)

27 Earnings per share (EPS)

The Special Purpose Combined Financial Statements do not represent legal entity structure and are aggregated for a specific purpose. Accordingly, Earnings Per Share (EPS) on aggregated number of shares has not been disclosed.

28 Employee benefit expenses

There are no employees on the rolls of the Companies forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. Parent Company allocates employee costs to the companies forming part of the Restricted Group as management shared services and is not separately identifiable.

29 Related Party Disclosures

a) Names of related parties and related party relationship

The names of related parties where control exists and/or with whom transactions have taken place during the period and description of relationship as identified by the management are:

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited	ReNew Power Limited#
Kanak Renewables Limited	ReNew Power Limited#
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Limited	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited

#Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

II. Ultimate Holding Company

GS Wyvern Holdings Limited

III. Key management personnel :

Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Limited.

IV. Fellow subsidiaries with whom transactions occurred during the year:

ReNew Wind Energy (MP) Private Limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Solar Energy Private Limited
ReNew Wind Energy (MP Two) Private Limited
ReNew Wind Energy (Karnataka) Private Limited
ReNew SE Karnataka Private Limited
ReNew Wind Energy (Shivpur) Private Limited
ReNew Wind Energy (Orissa) Private Limited

V Enterprise with significant influence

Name of entity	Enterprise with significant influence
ReNew Solar Energy (Telangana) Private Limited	Hareon Solar Singapore Private Limited

b) Details of transactions with holding Company:

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016
Unsecured loan given to related party	680	-	-	-
Unsecured loan repaid by related party	680	-	-	-
Unsecured loan received	601	820	3,242	50
Unsecured loan repaid	139	175	2,642	-
Expense Paid on behalf of the Company	0	-	3	-
Expense incurred on behalf of company	16	8	6	-
Reimbursement of expenses	6	14	-	-
Purchase of services (Management shared services) #	67	168	-	-
Interest expense on unsecured loan	90	39	57	1
Interest income on unsecured loan	1	-	-	-
Interest expense on liability component of redeemable non-cumulativ	5	4	-	-
Payment on behalf of holding Company	0	0	-	-
Issue of CCPS (including share premium)	-	354	1,138	96
Issue of Equity Shares Capital (Including Share Premium)	-	-	379	27
Purchase - EPC	-	-	702	
Share application money refunded	-	1	-	-
Share application money received	-	-	-	50

The holding Company has charged certain common expenses to entities forming part of the Restricted Group and other subsidiaries on the basis of its best estimate of expenses incurred for each of its entities forming a part of the Restricted Group and others and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the holding Company is most appropriate basis for recovering of such common expenses.

(Amounts in INR million, unless otherwise stated)

c) Details of outstanding balances with holding Company:

Particulars	ReNew Power Limited			ReNew Solar Power Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Unsecured loan payable	1,339	876	232	650	50	-
Trade payables	103	22	3	0	0	-
Capital creditors	284	253	92	468	-	-
Interest expense accrued on unsecured loan	160	75	38	53	1	-
Interest income accrued on unsecured loan	1	-	-	-	-	-
Advance to Related Parties	0	0	-	0	-	-
Share application money pending allotment	-	-	-	-	50	-

d) Details of transactions with fellow subsidiaries:

Particulars	ReNew Wind Energy (Karnataka) Private Limited		ReNew Wind Energy (Shivpur) Private Limited		ReNew Wind Energy (MP) Private Limited	
	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016
Unsecured loan received	1,897	-	980	-	-	-
Unsecured loan repaid	1,892	-	980	-	-	-
Expense Paid on behalf of the Company	-	-	-	-	135	-

Particulars	ReNew Wind Energy (MP Two) Private Limited		ReNew Wind Energy (Jamb) Private Limited		ReNew Wind Energy (Orissa) Private Limited	
	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016
Unsecured loan received	321	-	-	-	-	-
Unsecured loan repaid	260	-	-	-	-	-
Expense incurred on behalf of holding company	5	-	-	-	14	-
Interest expense on unsecured loan	1	-	-	-	-	-

Particulars	ReNew Solar Energy Private Limited		ReNew SE Karnataka Pvt. Ltd.	
	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016
Unsecured loan received	-	-	213	-
Expense Paid on behalf of the Company	0	-	-	-
Expense incurred on behalf of holding company	12	-	-	-
Purchase of services (Management shared services) #	1	-	-	-
Interest expense on unsecured loan	-	-	2	-
Issue of CCDs	-	-	-	179
Issue of Equity Shares Capital (Including Share Premium)	-	-	-	409
Purchase - EPC	1,199	-	-	-
Purchase of fixed assets	2	-	-	-

ReNew Power Limited, the holding Company have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the these companies is most appropriate basis for recovering of such common expenses.

e) Details of outstanding balances with fellow subsidiaries:

Particulars	ReNew Wind Energy (Karnataka) Private Limited			ReNew Wind Energy (Shivpur) Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Unsecured loan payable	5	-	-	-	-	-

Particulars	ReNew Wind Energy (MP Two) Private Limited			ReNew Wind Energy (MP) Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Unsecured loan payable	61	-	-	-	-	-
Capital creditors	5	-	-	-	-	-
Interest expense accrued on unsecured loan	1	-	-	-	-	-
Trade payables	-	-	-	135	-	-

Particulars	ReNew Wind Energy (Jamb) Private Limited			ReNew Wind Energy (Orissa) Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Recoverable from related parties	0	-	0	-	-	-
Capital Advance	-	-	-	14	-	-

Particulars	ReNew Solar Energy Private Limited			ReNew SE Karnataka Pvt. Ltd.		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Unsecured loan payable	-	-	-	213	-	-
Capital creditors	829	-	-	-	-	-
Interest expense accrued on unsecured loan	-	-	-	2	-	-
Recoverable from related parties	-	-	-	-	0	-

f) Compensation of Key management personnel of the Restricted Group entities

Remuneration to the key managerial personnel is paid by the holding Company of entities forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding Company.

h) ReNew Power Limited, the holding company, has pledged 8,948,998 (31 March 2016: 8,948,998 , 1 April 2015: 8,938,999) equity shares and 18,130,070 (31 March 2016: 21,672,190, 1 April 2015: 1,881,220) preference shares of the entities forming part of Restricted Group in favour of security trustee on behalf of lenders.

i) ReNew Solar Power Private Limited, the holding company, has pledged 6,474,926 (31 March 2016: Nil; 1 April 2015: Nil) equity shares and 11,310,825 (31 March 2016: Nil, 1 April 2015: Nil) preference shares of the entities forming part of Restricted Group in favour of security trustee on behalf of lenders.

(Amounts in INR million, unless otherwise stated)

30 Segment Information

The Managing Director of ReNew Power 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 Restricted Group discloses segment information in a manner consistent with internal reporting to group's Managing Director. The entities forming part of the Restricted Group have segments based on type of business operations. The reportable segments of respective companies under the Restricted Group are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Restricted Group entities does not operate in more than one geographical segment. The Restricted Group discloses in the segment information operating profit, comparable operating profit and comparable EBITDA.

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 2017			For the year ended 31 March 2016		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Sale of power and sale of renewable energy certificates	1,678	106	1,784	467		467
Revenues from operations	**1,678**	**106**	**1,784**	**467**	**-**	**467**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**1,678**	**106**	**1,784**	**467**	**-**	**467**
Interest income	99	56	155	51	6	57
Other Income (other than interest income)	230	5	235	42		42
Exceptional items	-	-	-	120		120
Total income	**2,007**	**167**	**2,174**	**680**	**6**	**686**
Less: Other expenses	240	43	283	91	1	92
Earning before interest, tax, depreciation and amortization (EBITDA)	**1,767**	**124**	**1,891**	**589**	**5**	**594**

The Revenues from two major customers amounts to INR 1,678 (31 March 2016: INR: 467), each of which contributes more than 10% of the total revenue of the Restricted Group. The two major customers pertain to wind segment only.

(Amounts in INR million, unless otherwise stated)

31 Hedging activities and derivatives

Derivatives designated as hedging instruments

The entities forming part of Restricted Group uses certain types of derivative financial instruments (viz. foreign currency forwards, cross-currency interest rate swap) to manage/mitigate their exposure to foreign exchange and interest risk. Further, the entities forming part of Restricted 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 cash flow hedge reserve - a component of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss within other income / other expenses. The amounts accumulated in Equity for highly probable forecast transaction are added to carrying value of non financial asset or non financial liability as basis adjustment, other amounts accumulated in Equity are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

At any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss within other income / other expenses.

Cash flow hedges

Hedge has been taken against exposure to foreign currency risk and variable interest outflow on term loan. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:--

i. Pay fixed INR and receive USD and fixed interest at 7.56% to 13.50% p.a. and receive a variable interest at 3 month LIBOR plus 3.00% p.a. to 6 month LIBOR plus 0.99% on the notional amount.

The cash flow hedges through CCIRS is USD 176,702,441 and forward contracts is USD 67,954,572 outstanding at the year ended 31 March 2017 were assessed to be highly effective and hedging reserve of INR 567 (31 March 2016 :- 147, 1 April 2015: INR 114) with a deferred tax asset of INR 173 (31 March 2016:- 44, 1 April 2015: INR 35) is included in OCI.

Foreign currency and Interest rate risk
Forward Contracts and Swaps measured at fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principal payments in USD.

	31 March 2017		31 March 2016		1 April 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current financial liabilities						
Derivative contracts designated as hedging instruments	-	1,031	-	118	-	85
Current financial assets						
Derivative contracts designated as hedging instruments	-	-	94	-	-	-

Hedging reserve movement

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balance at the beginning of the year	(103)	(79)	8
Gain/(loss) recognised on cash flow hedges	(1,268)	(35)	(122)
Income tax relating to gain/loss recognized on cash flow hedges	391	11	35
Gain/(loss) reclassified to profit or loss	195	-	-
Income tax relating to gain/loss reclassified to profit or loss	(60)	-	-
Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment	653	-	-
Income tax relating to gain/loss reclassified to non financial assets or liabilities as basis adjustment	(202)	-	-
Balance at the end of the year	(394)	(103)	(79)

The interest on buyer's credit was payable on a half yearly basis and the corresponding settlement using the interest rate swap also happened on a half yearly basis.

32 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximations of

	31 March 2017		31 March 2016		1 April 2015	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Loans	3	3	-	-	-	-
Bank deposits with remaining maturity for more than twelve months	0	0	0	0	-	-
Derivative Instruments	-	-	94	94	-	-
Trade receivables	518	518	357	357	44	44
Cash and cash equivalent	2,422	2,422	448	448	133	133
Bank balances other than cash and cash equivalent	562	562	1,115	1,115	177	177
Other current financial assets	482	482	175	175	32	32
						-
Financial liabilities						-
Term loan in Indian rupees from bank	8,339	8,339	7,453	7,453	2,354	2,354
Buyer's / Supplier's credit (secured)	6,283	6,283	-	-	-	-
Liability component of preference shares (secured) (refer note 11C)	41	41	36	36	32	32
Liability component of compulsorily convertible debentures	337	337	-	-	-	-
Short-term borrowings	3,949	3,949	926	926	232	232
Trade payables	285	285	56	56	7	7
Derivative Instruments	1,031	1,031	118	118	85	85
Other current financial liabilities	2,628	2,628	2,014	2,014	446	446

The management of the Company assessed that current investments, cash and cash equivalents, trade receivables, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

i The fair values of the Company's bonds are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2017 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of redeemable preference shares is estimated by discounting future cash flows using discount rate, credit risk and remaining maturity.

iii The entities forming part of the Restricted 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.

33 Fair value hierarchy

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:
i) Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
ii) Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
iii) Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the Company :-

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:

	Level of fair value measurement	31 March 2017		31 March 2016		1 April 2015	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial Assets (Current)							
Financial assets measured at fair value through profit & loss							
Derivative Instruments	Level 1	-	-	94	94	-	-
		-	-	**94**	**94**	-	-
Financial assets measured at amortised cost							-
Financial Assets (Non current): Others							-
Financial Assets (Non current): Loans							-
Security deposits	Level 2	3	3	-	-	-	-
Bank deposits with remaining maturity for more than twelve months	Level 2	0	0	0	0	-	-
Share application money pending allotment	Level 2	-	-	-	-	-	-
Total		**3**	**3**	-	-	-	-
							-
Financial Assets (current): Loans							-
Loans to related parties	Level 2	-	-	-	-	-	-
Total		-	-	-	-	-	-
							-
Financial Assets (Current): Others							-
Generation based incentive receivable	Level 2	142	142	41	41	7	7
Recoverable from related parties	Level 2	0	0	0	0	0	0
Unbilled revenue	Level 2	299	299	98	98	14	14
Interest accrued on fixed deposits	Level 2	40	40	36	36	11	11
Interest accrued on loans to related parties	Level 2	1	1	-	-	-	-
Total		**482**	**482**	**175**	**175**	**32**	**32**
							-
Trade receivables	Level 2	**518**	**518**	**357**	**357**	**44**	**44**
							-
Cash and bank balances							-
Cash and cash equivalent	Level 2	2,422	2,422	448	448	133	133
Bank balances other than cash and cash equivalent	Level 2	562	562	1,115	1,115	177	177
Total		**2,984**	**2,984**	**1,563**	**1,563**	**310**	**310**
Measured at fair value through other comprehensive income							-
Derivative Instruments	Level 1	1,031	1,031	118	118	85	85
							-
Financial liabilities measured at amortised cost							
							-
Long-Term Borrowings							-
Term loan from bank (secured)	Level 2	8,339	8,339	7,453	7,453	2,354	2,354
Buyer's / Supplier's credit (secured)	Level 2	6,283	6,283	-	-	-	-
Liability component of preference shares (secured) (refer note 11C)	Level 2	41	41	36	36	32	32
Liability component of compulsorily convertible debentures	Level 2	337	337	-	-	-	-
Total		**15,000**	**15,000**	**7,489**	**7,489**	**2,386**	**2,386**
							-
Short-term borrowings	Level 2	3,949	3,949	926	926	232	232
							-
Trade payables	Level 2	285	285	56	56	7	7
							-
Financial liabilities (Current): Others							-
Current maturities of long term borrowings	Level 2	302	302	150	150	153	153
Interest accrued but not due on borrowings	Level 2	340	340	77	77	38	38
Capital creditors	Level 2	1,986	1,986	1,787	1,787	255	255
Total		**2,628**	**2,628**	**2,014**	**2,014**	**446**	**446**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets measured at fair value through profit & loss			
Investments	Level 1	Quoted price	Quoted market price of mutual funds
Financial assets measured at fair value through other comprehensive income			
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 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	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
Share application money pending allotment	Level 2	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
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Generation based incentive receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on loans to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Accrued interest on NSC	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Insurance claim receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities measured at fair value through other comprehensive income			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities measured at amortised cost			
Non Convertible Debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Senior Secured Bonds	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Compulsorily Convertible Debentures (unsecured)	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Liability component of preference shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan in Indian rupees from financial institution	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Other payable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR million, unless otherwise stated)

34 Financial Risk Management objectives and policies

The financial liabilities of the entities forming part of Restricted Group comprise loans and borrowings, derivative liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the entities forming part of Restricted Group's operations. The entities forming part of Restricted Group's principal financial assets include loans, derivative assets, trade receivables, cash and cash equivalents and other financial assets. The entities forming part of Restricted Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market Risk

Market risk is the risk that the entities forming part of Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2017. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2017.

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entities forming part of Restricted Group are exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. In case of external commercial borrowings ("ECB") the entities forming part of Restricted Group believes that the exposure of respective companies to changes in market interest rates is insignificant as the respective companies manage the risk by hedging the changes in the market interest rates through cross currency interest rate swaps. The entities forming part of Restricted Group also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. borrowings in INR and USD. With all other variables held constant, the entities forming part of Restricted Group's profit before tax is affected through the impact on financial assets, as follows:

	31 March 2017		31 March 2016	
	Increase/decrease in basis points	**Effect on profit before tax**	**Increase/decrease in basis points**	**Effect on profit before tax**
INR	+/(-) 50	+/(-) 0	+/(-) 50	(-)/+ 0
US dollar	+/(-)60	+/(-) 3	+/(-)60	(-)/+ 3
	Increase/decrease in basis points	**Effect on equity**	**Increase/decrease in basis points**	**Effect on equity**
INR	+/(-) 50	+/(-) 0	+/(-) 50	+/(-) 0
US dollar	+/(-)60	+/(-) 2	+/(-)60	+/(-) 2

Since 80% of USD borrowings is hedged by cross currency interest rate swaps, the sensitivity analysis has been performed on balance USD borrowings.

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 entities forming part of restricted group minimises the foreign currency (US dollar) interest rate exposure through derivatives and INR interest rate exposure through re-financing.

Foreign Currency Risk:

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entities forming part of Restricted Group were exposed to foreign currency risk arising from imports of capital equipment in US dollars in the previous year. The entities forming part of Restricted Group hedges its exposure to fluctuations on the translation into INR of its buyer's/supplier's credit by using foreign currency interest rate swaps. The Restricted Group has followed a conservative approach for hedging the foreign currency risk so as to not use complex forex derivatives. The Restricted Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Restricted Group does not undertake any speculative transactions.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and INR exchange rates, with all other variables held constant. The impact on the Restricted Group's profit before tax in the previous year is due to changes in the fair value of monetary liabilities comprising of buyer's/supplier's credit in US dollars. The impact on the Restricted Group's pre-tax equity is due to changes in the fair value of cross-currency interest-rate swaps (CCIRS) designated as cash flow hedges. The Restricted Group's exposure to foreign currency changes for all other currencies is not material. The companies forming part of the Restricted Group do not have any have any foreign currency exposure as on 31 March 2017.

	31 March 2017		31 March 2016	
Change in USD rate	5%	-5%	5%	-5%
Effect on profit before tax	(24)	24	(25)	25

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 entities forming part of Restricted Group are exposed to credit risk from their operating activities (primarily trade receivables) but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further the entities forming part of Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.

Trade Receivables

Customer credit risk is managed basis established policies of entities forming part of the Restricted Group, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The entities forming part of Restricted Group does not hold collateral as security.

The entities forming part of Restricted Group has state utilities/government and private entities as it's customers with high credit worthiness therefore, Restricted Group does not see any significant risk related to credit.

Financial instruments and credit risk

Credit risk from balances with banks is managed by group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the entities forming part of the Restricted Group, and may be updated throughout the year subject to approval of group's finance committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(Amounts in INR million, unless otherwise stated)

Liquidity Risk

Liquidity risk is the risk that the entities forming part of Restricted Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the entities forming part of Restricted Group to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.
The entities forming part of Restricted Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The entities forming part of Restricted Group have access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of financial liabilities of the entities forming part of restricted group based on contractual undiscounted payments:

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Loans from Banks & financial institutions*				7,613	7,145	14,758
Buyer's credit				6,283		6,283
Compulsorily convertible debentures					337	337
Convertible preference shares					41	41
Short term borrowings						-
Buyer's credit		1,175				1,175
Loans from related party	2,268					2,268
Acceptances	223	283				506
Other financial liabilities						-
Current maturities of long term borrowings*		197	1,164			1,361
Interest accrued but not due on borrowings	215	125				340
Capital Creditors	1,298	688				1,986
Derivative Instruments	257	-	774			1,031
Trades and other payables						-
Trades payables	243	42				285

* Including future interest payments.

The entities forming part of Restricted Group expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

The entities forming part of Restricted Group rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind and solar power plants and related assets. Our non-recourse financing is designed to limit cross default risk to the Parent Company or other subsidiaries and affiliates. Our non-recourse long-term debt is a combination of fixed and variable interest rate instruments. External commercial borrowings which are at variable rate is fixed through the use of cross currency interest rate swaps. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. In certain cases, the currency is matched through the use of derivative instruments. The majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

Year ended 31 March 2016	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks*		166	709	6,217	7,347	14,439
Loans from Financial Institutions*					36	36
Short term borrowings						-
Loans from related party	926					926
Other financial liabilities						-
Current maturities of long term borrowings*			150			150
Interest accrued but not due on borrowings	75	2				77
Mark to market on derivatives				118		118
Capital Creditors	172	1,615				1,787
Trades and other payables						
Trades payables	26	30				56

* Including future interest payments.

Year ended 01 April 2015	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks *	-	-	-	1,761	2,570	4,331
Redeemable non cumulative preference shares	-	-	-	-	32	32
Short term borrowings						
Loans from related party	232	-	-	-	-	232
Other financial liabilities						
Current maturities of long term borrowings	-	-	153	-	-	153
Interest accrued but not due on borrowings	38	-	-	-	-	38
Mark to market on derivatives	-	-	85	-	-	85
Capital Creditors	92	163	-	-	-	255
Trades payables						
Trades payables	3	4	-	-	-	7

* Including future interest payments.

(Amounts in INR million, unless otherwise stated)

35 Capital management

For the purpose of the capital management by the respective entities forming part of Restricted Group, capital includes issued equity capital, compulsory convertible preference shares, compulsory convertible debentures, share premium and all other equity reserves attributable to the equity holders of the respective companies under the Restricted Group. The primary objective of the respective companies under the Restricted Group's capital management is to maximise the shareholder value.

The entities forming part of Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the entities forming part of Restricted Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entities forming part of Restricted Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entities forming part of Restricted Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

The policy of the entities forming part of Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. In the construction phase the Group manages the ratio at 3:1 through internal funding.

In order to achieve this overall objective, the capital management by the entities forming part of Restricted Group, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2017.

36 Contingent liabilities and commitments
(to the extent not provided for)

(i) Contingent liabilities
As at 31 March 2017, the respective companies forming part of the Restricted Group has a contingent liability towards interest on service tax payable of INR Nil (31 March 2016: 153, 1 April 2015: Nil)

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2017, the entities forming part of Restricted Group has capital commitment (net of advances) pertaining to commissioning of solar energy projects of INR 3,672 (31 March 2016: Nil ; 1 April 2015: Nil).

37 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil	Nil

38 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the entities forming part of Restricted Group during the year is INR 1 (31 March 2016: INR Nil, 1 April 2015: INR Nil).
(b) Amount spent during the year 31 March 2017:

List of CSR activities	In Cash	Yet to be paid	Total
i) Construction / Acquisition of any asset	1	-	1
ii) On the purposes other than (i) above			
1) Sanitation & making available safe drinking water- Construction of toilets, Bore-well, well, Tube-well etc.			
2) Empowering women through SHGs (self-help group) and creating income generation activities for the women like stitching and tailoring, goatery, backyard poultry etc.)			
3) Ensuring environmental sustainability- animal welfare Plantation, environment awareness,			
4) Animal Welfare-Animal health camp, Para –vet training			
5) Education awareness, Remedial classes for weak students etc.			
6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.			

39 During the year ended 31 March 2017, the ReNew Wind Energy (Rajasthan 3) Private Limited, an entity forming part of the Restricted Group has reached settlement with certain suppliers/contractors for compensation for loss of revenue on account of delay commissioning of Bhaseda project. Resultantly, an amount of INR 56 towards liquidated damages (LDs) has been recognised in the statement of profit & loss.
Since, the said LDs are directly linked to delay in creating profit making apparatus, the same has been considered as capital receipt and thus has not been included in Book Profit under section 115JB of the Income Tax Act, 1961. The same has also been supported by the opinion of the advisors of the company.

40 Exceptional item
During previous year, the Company has reached settlement with certain suppliers/ contractors on account of delay in commissioning of Bhesada project. Resultantly, an amount of INR 120 million for Bhesada project towards liquidated damages ("LDs") was recognized in the statement of profit and loss for the year ended 31 March 2016.

Since, the said LDs were derived towards delay in supply / commissioning of capital assets (power projects), resulting into delay in creating profit-making apparatus / source of income, the same were regarded as capital receipt and, hence, not regarded as income subject to tax under the provisions of Income-tax Act, 1961 ('IT Act'). Accordingly, the said LDs were also not included in 'book profit' under section 115JB of the IT Act. The company interpretation on the matter of applicability to minimum alternative tax on such book profits under section 115JB of the IT Act is also supported by opinion of the experts which were taken on the issue.

41 Significant accounting judgments, estimates and assumptions

The preparation of special purpose combined financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The entities forming part of Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the respective companies under the Restricted Group. Such changes are reflected in the assumptions when they occur.

A) Accounting judgements

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, the entities forming part of Restricted Group are depreciating the assets bases on life as determined by an expert.

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 entities forming part of Restricted 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

B) Estimates and assumptions:-

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 32 and 33 for further disclosures.

42 Absolute amounts less than INR 500,000 are appearing in the financial statements as "0" due to presentation in millions.

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 Feb 2019

For and on behalf of the Restricted Group

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 Feb 2019

Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 Feb 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 Feb 2019

S.R. BATLIBOI & CO. LLP
Chartered Accountants

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Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **ReNew Power Limited (formerly known as ReNew Power Ventures Pvt. Ltd. and Renew Power Pvt. Ltd.) ("RPL")**

Report on Combined Financial Statements

We have audited the accompanying Special Purpose Combined Financial Statements of Restricted Group (consisting of certain specific subsidiaries of RPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group") which comprises of the combined Balance Sheet as at 1 April 2015 (transition date balance sheet) and as at 31 March 2016, the combined Statement of Profit and Loss including other comprehensive income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the year then ended and the related notes, comprising a summary of significant accounting policies and other explanatory information (collectively, the "Combined Financial Statements").

The Combined Financial Statements have been prepared in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statements.

Management's responsibility for the Combined Financial Statements

RPL's Board of Directors is responsible for the preparation these Special Purpose Combined Financial Statements in accordance with the basis of preparation as set out in note 3 to the Combined Financial Statement. This includes the design, implementation and maintenance of 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 Combined Financial Statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Special Purpose Combined Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, we consider internal financial control relevant to the management's preparation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Combined Financial Statements.

S.R. BATLIBOI & CO. LLP GURUGRAM

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements as at and for the year ended 31 March 2016 are prepared in all material respects, in accordance with the basis of preparation as set out in note 3 to those Special Purpose Combined Financial Statements.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 3 to the Special Purpose Combined Financial Statements which describes the basis of preparation and further states that the comparative financial information has not been included in these Special Purpose Combined Financial Statements. Only a complete set of Special Purpose Combined Financial Statements together with comparative financial information can provide a fair presentation of the Restricted Group's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flow and changes in equity.

We also draw attention Note 2 and 3 to the Special Purpose Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31 March 2016, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. The Special Purpose Combined Financial Statements has been prepared solely in connection with the proposed issuance of USD denominated Notes by each member of the Restricted Group for which the RPL is a guarantor and for inclusion in the Offering Memorandum. As a result, the combined financial statements may not be suitable for another purpose.

Other matter

The accompanying Special Purpose Combined Financial Statements include total assets of Rs. 833 million and net assets of Rs. 564 million as at 31 March 2016, and total revenues of Rs. 6 million and net cash inflows of Rs. 6 million for the year ended on that date, in respect of 4 entities forming part of the Restricted Group, which have been audited by other auditors, which financial statements, other financial information and auditors report have been furnished to us by the management. Our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the reports of such other auditors.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP
GURUGRAM

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 11 February 2019

Restricted Group
Special Purpose Combined Balance Sheet as at 31 March 2016
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2016	As at 01 April 2015
Assets			
Non-current assets			
Property, plant and equipment	4	10,138	3,147
Capital work in progress	4	189	114
Financial assets			
Others	5	0	-
Deferred tax assets (net)	6	213	161
Prepayments	7	8	3
Other non-current assets	8	1,092	1,764
Total non-current assets		**11,640**	**5,189**
Current assets			
Financial assets			
Trade receivables	9	357	44
Cash and cash equivalent	10	448	133
Bank balances other than cash and cash equivalent	10	1,115	177
Derivative instruments	5	94	-
Others	5	175	32
Prepayments	7	5	0
Other current assets	8	38	35
Total current assets		**2,232**	**421**
Total assets		**13,872**	**5,610**
Equity and liabilities			
Equity			
Equity share capital	11A	118	91
Other equity			
Equity component of preference shares	11B	362	302
Share application money pending allotment	12A	50	65
Securities premium	12B	3,041	2,266
Hedge reserve	12C	(103)	(79)
Retained earnings	12D	(310)	(226)
Total equity		**3,158**	**2,419**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	13	7,489	2,386
Other non-current liabilities	14	77	27
Total non-current liabilities		**7,566**	**2,413**
Current liabilities			
Financial liabilities			
Short-term borrowings	15	926	232
Trade payables			
Outstanding dues to micro enterprises and small enterprises	16	-	-
Others	16	56	7
Derivative instruments	17	118	85
Others	18	2,014	446
Other current liabilities	19	33	8
Short-term provisions	20	1	-
Total current liabilities		**3,148**	**778**
Total liabilities		**10,714**	**3,191**
Total equity and liabilities		**13,872**	**5,610**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 February 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Special Purpose Combined Statement of Profit and Loss for the year ended 31 March 2016
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2016
Income:		
Revenue from operations	21	467
Other income	22	99
Exceptional items	36	120
Total income		**686**
Expenses:		
Other expenses	23	92
Total expenses		**92**
Earning before interest, tax, depreciation and amortization (EBITDA)		**594**
Depreciation expense	24	244
Finance costs	25	472
Loss before tax		**(122)**
Tax expense		
Current tax	6	2
Deferred tax	6	(40)
Loss for the year	**(a)**	**(84)**
Other comprehensive income (OCI)		
Items that will be reclassified to profit or loss in subsequent periods		
Net movement on cash flow hedges		(35)
Income tax effect		11
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods	**(b)**	(24)
Total comprehensive loss for the year	**(a) + (b)**	**(108)**
Summary of significant accounting policies	3	

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
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Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 February 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group
Special Purpose Combined Statement of Cash Flows for the year ended 31 March 2016
(Amounts in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2016
Cash flow from operating activities		
Loss before tax		**(122)**
Adjustments for:		
Depreciation expense		244
Interest income		(57)
Interest expense		431
Operating profit before working capital changes		**496**
Movement in working capital		
(Increase) in trade receivables		(313)
(Increase) in financial assets		(298)
(Increase) in prepayments		(9)
Decrease in other assets		40
Increase in trade payables		48
Increase in other financial liabilities		1
Increase in other liabilities		78
Cash generated from operations		**43**
Direct taxes paid (net of refunds)		(32)
Net cash used in operating activities		**11**
Cash flow from investing activities		
Purchase of property, plant and equipments including capital work in progress, capital advances and capital creditors		(5,165)
Net (Investments)/redemption of bank deposits having maturity more than 3 months		(938)
Interest received		31
Net cash used in investing activities		**(6,072)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)		27
Proceeds from issue of preference shares (including premium)		769
Share application money received pending allotment		50
Proceeds from long-term borrowings		5,329
Repayment of long-term borrowings		(163)
Proceeds from short-term borrowings		985
Repayment of short-term borrowings		(291)
Interest paid		(330)
Net cash generated from financing activities		**6,376**
Net (decrease) / increase in cash and cash equivalents		315
Cash and cash equivalents at the beginning of the year		133
Cash and cash equivalents at the end of the year		**448**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts		414
- On deposit accounts with original maturity of less than 3 months		34
Total cash and cash equivalents (note 10)		**448**

Notes:
1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

Summary of significant accounting policies 3

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

For and on behalf of the Restricted Group

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
Chief Financial Officer

Place: Gurugram
Date: 11 February 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

Restricted Group

Special Purpose Combined Statement of changes in equity for the year ended 31 March 2016

(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of respective entities forming part of the Restricted Group						Total equity
				Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Share application money pending allotment	Securities premium	Retained earnings	Hedging Reserve	
	(refer note 11A)	(refer note 11B)	(refer note 12A)	(refer note 12B)	(refer note 12D)	(refer note 12C)	
At 1 April 2014	**30**	**140**	**-**	**261**	**135**	**8**	**574**
Loss for the year	-	-	-	-	(361)	-	(361)
Other comprehensive income (net of taxes)	-		-	-	-	(87)	(87)
Total comprehensive income	-	-	-	-	(361)	(87)	(448)
Equity shares issued during the year	61	-	-	543	-	-	604
Preference shares issued during the year	-	162	-	1,462	-	-	1,624
Share application money received	-	-	65	-	-		65
At 31 March 2015	**91**	**302**	**65**	**2,266**	**(226)**	**(79)**	**2,419**
Loss for the year	-	-	-	-	(84)	-	(84)
Other comprehensive income (net of taxes)	-	-	-	-	-	(24)	(24)
Total Comprehensive Income	-	-	-	-	**(84)**	**(24)**	**(108)**
Equity shares issued during the year	27	-	-	240	-	-	267
Preference shares issued during the year	-	60	(65)	537	-	-	532
Amount utilized for issue of preference shares	-	-	-	(2)	-	-	(2)
Share application money received			50	-	-	-	50
At 31 March 2016	**118**	**362**	**50**	**3,041**	**(310)**	**(103)**	**3,158**

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
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Ashish Jain
Company Secretary
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Place: Gurugram
Date: 11 February 2019

(Amounts in INR millions, unless otherwise stated)

1 Corporate information

ReNew Power Limited is a public limited company (Formerly known as 'ReNew Power Private Limited' and 'ReNew Power Ventures Private Limited') (referred to as the "Parent" or "RPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPL) which are collectively referred to as the 'Restricted Group' (as more clearly explained in the note below) intend to issue US Dollar denominated notes and their lisitng on Singapore Exchange Securities Trading Limited (SGX-ST).

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
Rajat Renewables Limited#	ReNew Power Limited #
Kanak Renewables Limited#	ReNew Power Limited #
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Pvt Ltd	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

Both the companies were incorporated on 8 March 2017. Hence both companies are not combined in the financial statement for the year ended and as at 31 March 2016 and 2015.
Ownership of these entities changed from Suzlon Energy Limited to Shruti Power Projects Private Limited (a 100% subsidiary of ReNew Power Limited) w.e.f. 30 January 2018. Further it was transferred to ReNew Power Limited w.e.f. 6 March 2018.

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

The Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on 11 February 2019.

2 Purpose of Special Purpose Combined Financial Statements

The Combined financial statements are Special Purpose Financial Statements which have been prepared for purpose of the proposed issue of USD denominated notes by each member of the Restricted Group. These Special Purpose Combined financial statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined financial statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The Special Purpose Combined Financial Statements of the Restricted Group have been prepared in accordance with recognition and measurement principles prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India. For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2016 are the first the Company has prepared in accordance with Ind AS with a comparative financial statement as at 1 April 2015.

Only a complete set of Special Purpose Combined Financial Statements together with comparative financial information can provide a fair presentation of the Restricted Group's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flow and changes in equity. While preparing the special purpose combined financial statements for the year ended March 31, 2016, the relevant comparative information under Ind AS for the year ended March 31, 2015 has not been presented.

Management of the Parent company has prepared the Special Purpose Combined Financial Statements which comprise the Combined Balance Sheet as at 31 March 2016, the Combined Statement of Profit and Loss including other comprehensive income, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2016 a summary of the significant accounting policies and other explanatory information.

Management has prepared these Special Purpose Combined Financial Statements to depict the historical cost of the Restricted Group except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

All intercompany transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties of entities forming part of the Restricted Group but not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

The Special Purpose Combined Financial Statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

3.2 Basis of combination

The Special Purpose Combined Financial Statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities forming part of restricted group have been eliminated and profits or losses arising from intragroup transactions that are recognised in assets, such as inventory and fixed assets have been eliminated in full

3.3 Summary of Significant Accounting Policies

a) Current versus non-current classification

The respective entities forming part of Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:
- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The entities forming part of the Restricted Group have identified twelve months as their operating cycle for classification of their current assets and liabilities.

b) Fair value measurement

The entities forming part of the Restricted Group measure financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the entities forming part of the Restricted Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The entities forming part of the Restricted Group use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the entities forming part of the Restricted Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (refer note 30 and 31).

At each reporting date, the management of the entities forming part of the Restricted Group analyse 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 respective entities forming part of Restricted Group.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the entities forming part of the Restricted Group determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

· Disclosures for significant estimates and assumptions (Refer Note 37)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 31)
· Financial instruments (including those carried at amortised cost) (Refer Note 30)

c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entities forming part of the Restricted Group and the revenue can be reliably measured, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:-

Sale of Power

Income from supply of wind power is recognized on the supply of units generated from the plant to the grid, as per the terms of the PPA entered into with the state electricity board/ private customers.

Income from Liquidated damages and interest on advances

Income from liquidated damages and interest on advance is recognised after certainty of receipt of the same is established.

Dividend

Dividend income is recognised when the right of the entities forming part of the Restricted Group to receive dividend is established by the reporting date.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the entities forming part of the Restricted Group estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Income from government grants

Refer note (f) for accounting policy.

d) Foreign currencies

The Restricted Group Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the companies operate.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

e) Income taxes

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In situations where the entities forming part of the Restricted Group are entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the entities forming part of the Restricted Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax
Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entities forming part of the Restricted Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the entities forming part of the Restricted Group.

f) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant related to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the entities forming part of the Restricted Group receive grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

The entities forming part of the Restricted Group presents grants related to an expense item as other income in the Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive
Generation based incentive is recognized on the basis of supply of units generated by the entities forming part of the Restricted Group to the state electricity board from the eligible project in accordance with the scheme of the "Generation Based Incentive (GBI) for Grid interactive Wind Power Projects"

g) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the entities forming part of the Restricted Group depreciate them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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 entities forming part of the Restricted Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

h) Depreciation expense
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Years
Plant and equipment (wind and solar power projects)*	18-25
Furniture & fixture	10
Office equipment	5
Computers	3
Computer servers	6

* Based on an external technical assessment, the management believes that the useful lives as given above and residual value of 0%-5%, best represents the period over which management expects to use its assets and its residual value. The useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Exceptional items
Exceptional items refer to items of income or expense within the income statement from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the entities forming part of the Restricted Group.

j) 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

k) Impairment of non-financial assets

The entities forming part of the Restricted 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 entities forming part of the Restricted Group estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre -tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The entities forming part of the Restricted Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Restricted Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the entities forming part of the Restricted Group extrapolate cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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 entities forming part of the Restricted Group estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

l) Provisions

Provisions are recognised when the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the entities forming part of the Restricted Group commit to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of the Restricted Group recognize interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the entities forming part of the Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The entities forming part of the Restricted Group have not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entities forming part of the Restricted Group may make an irrevocable election to present the subsequent changes in the fair value in OCI. The entities forming part of the Restricted Group make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the entities forming part of the Restricted Group decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the entities forming part of the Restricted Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The entities forming part of the respective Restricted Group have 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 entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the entities forming part of the Restricted Group continue to recognise the transferred asset to the extent of the continuing involvement of the entities forming part of the Restricted Group. In that case, the entities forming part of the Restricted Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entities forming part of the Restricted Group have 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 entities forming part of the Restricted Group could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.
The entities forming part of the Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the entities forming part of the Restricted 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 entities forming part of the Restricted Group determine that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the entities forming part of the Restricted Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement

The measurement of financial liabilities depends on their classification as discussed below:-

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

The entities forming part of the Restricted Group recognise debt modifications agreed with lenders to restructure their existing debt obligations. Such modifications are done to take advantage of falling interest rates by cancelling the exposure to high interest fixed rate debt, pay a fee or penalty on cancellation and replace it with debt at a lower interest rate (exchange of old debt with new debt). The qualitative factors considered to be relevant for modified financial liabilities include, but are not limited to, the currency that the debt instrument is denominated in, the interest rate (that is fixed versus floating rate), conversion features attached to the instrument and changes in covenants. The accounting treatment is determined depending on whether modifications or exchange of debt instruments represent a settlement of the original debt or merely a renegotiation of that debt. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Redeemable non cumulative preference shares (RNCPS) and Convertible Preference Shares (CCPS)

Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

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.

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.

n) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they considered an integral part of the entities forming part of the Restricted Group's cash management.

o) Measurement of EBITDA

The Restricted Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Restricted Group measure EBITDA on the basis of profit/ (loss) from continuing operations. In their measurement, the companies include interest income but do not include depreciation and amortization expense, finance costs and tax expense.

p) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The entities forming part of the Restricted Group do not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The entities forming part of the Restricted Group make disclosures in the financial statement in cases of significant events.

q) 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 entities forming part of the Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

r) Changes in accounting policy and disclosures- New and amended standards

Ind AS 115 Revenue from Contracts with Customers

Revenue from contracts with customers outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The standard replaces most current revenue recognition guidance. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the entities forming part of the Restricted Group expect to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively including service revenues and contract modifications and improve guidance for multiple-element arrangements. The new Standard will come into effect for the annual reporting periods beginning on or after 1 April 2018.

The entities forming part of the Restricted Group have evaluated the requirements of the new standard for the year ending 31st March 2016 and there has been no impact on the financial statements.

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land	Plant and equipment	Total Property, plant and equipment	Capital work in progress
Deemed cost/ cost				
At 1 April 2015	**33**	**3,114**	**3,147**	**114**
Additions during the year*	0	7,235	7,235	7,310
Capitalised during the year	-	-	-	(7,235)
At 31 March 2016	**33**	**10,349**	**10,382**	**189**
Depreciation				
At 1 April 2015	**-**	**-**	**-**	**-**
Charge for the year (refer note 24)	-	244	244	-
At 31 March 2016	**-**	**244**	**244**	**-**
Net book value				
At 1 April 2015	**33**	**3,114**	**3,147**	**114**
At 31 March 2016	**33**	**10,105**	**10,138**	**189**

***Capitalised borrowing costs**
The amount of borrowing costs capitalised in the tangible assets during the year ended 31 March 2016 was INR 182 (1 April 2015 INR 62). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of (ranges between 8.00% - 11.72%) of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 10,221 (1 April 2015: INR 3,247) are subject to a pari passu first charge to respective lenders for project term loans as disclosed in Note 13.

(Amounts in INR millions, unless otherwise stated)

5 Financial assets	**As at 31 March 2016**	**As at 01 April 2015**
Non-current (unsecured, considered good unless stated otherwise)		
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 10)	0	-
Total	**0**	**-**
Current (unsecured, considered good unless stated otherwise)		
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	94	-
Total	**94**	**-**
Others		
Government grants*		
- Generation based incentive receivable	41	7
Recoverable from related parties (refer note 27)	0	0
Unbilled revenue	98	14
Interest accrued on fixed deposits	36	11
Total	**175**	**32**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the respective entities forming part of Restricted Group. The carrying value may be affected by changes in the credit risk of the counterparties.

*Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

6 Deferred tax

Deferred tax assets (net)

Deferred tax relates to the following:

Deferred tax related to items recognised in OCI :		**As at 31 March 2016**	**As at 01 April 2015**
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments		46	35
	(a)	**46**	**35**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Compound financial instruments		15	16
Difference in written down value as per books of account and tax laws		46	14
	(b)	61	30
Deferred tax assets (gross)			
Provision for operation and maintenance equalisation		9	3
Preliminary expenses not written off under tax laws		0	0
Losses available for offsetting against future taxable income		219	153
	(c)	228	156
Deferred tax assets (net)	**(d) = (c) - (b)+ (a)**	**213**	**161**

(Amounts in INR millions, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	31 March 2016
Accounting profit before income tax	**(122)**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%) / Income Tax (30%) plus applicable surcharge rate (7% to 12 %) and Cess (3%)	2
Deferred tax expense reported in the statement of profit and loss*	(40)
Non-deductible expenses for tax purposes:	
Other non deductible expenses	0
At the effective income tax rate	**(38)**
Current tax expense reported in the statement of profit and loss	2
Deferred tax expense reported in the statement of profit and loss	(40)
	(38)
*** Where deferred tax expense relates to the following :**	
Compound financial instruments	(1)
Losses available for offsetting against future taxable Income	(63)
Preliminary expenses not written off under tax laws	(0)
Difference in WDV as per books of accounts and tax laws	32
Operation and maintenance equalisation expense	(6)
	(38)

Reconciliation of deferred tax assets (net):

	31 March 2016
Opening balance of DTA/DTL (net)	161
Deferred tax income/(expense) during the period recognised in profit or loss	40
Deferred tax income/(expense) during the period recognised in OCI	11
Closing balance of DTA/DTL (net)	**212**

The respective entities forming part of Restricted Group has tax losses and unabsorbed depreciation which arose in India of INR 763 (01 April 2015: INR 497). The unabsorbed depreciation can be carried forward indefinately as per the Income Tax Act
Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 180 (01 April 2015: INR 167). Majority of these losses will expire in 2024-2025. The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 870 (01 April 2015: INR 329).

The entities forming part of Restricted Group has recognised deferred tax asset of INR 217 respectively (01 April 2015: INR 153) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

7 Prepayments	As at 31 March 2016	As at 01 April 2015
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	8	3
Total	**8**	**3**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	5	0
Total	**5**	**0**

(Amounts in INR millions, unless otherwise stated)

8 Other assets	**As at 31 March 2016**	**As at 01 April 2015**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	1,021	1,630
Advances recoverable	-	67
Advance income tax (net of income tax provisions)	51	7
Security deposits	0	25
Maharashtra VAT recoverable	20	20
Unamortized option premium	-	15
Total	**1,092**	**1,764**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	20	2
Unamortized option premium	16	33
Security deposits	0	-
TDS recoverable	2	-
Others	0	-
Total	**38**	**35**

9 Trade receivables	**As at 31 March 2016**	**As at 01 April 2015**
Unsecured, considered good	357	44
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	357	44
Less: Provision for doubtful debts	-	-
Total	**357**	**44**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on terms of 7-60 days

10 Cash and cash equivalents	**As at 31 March 2016**	**As at 01 April 2015**
Cash and cash equivalents		
Balance with bank		
- On current accounts	414	133
- Deposits with original maturity of less than 3 months #	34	-
	448	**133**
Bank balances other than cash and cash equivalents		
Deposits with *		
- Remaining maturity for less than twelve months #	1,115	177
- Remaining maturity for more than twelve months #	-	-
	1,115	**177**
Less: amount disclosed under financial assets* (Note 5)	-	-
Total	**1,115**	**177**

*Fixed deposits of INR 594 (1 April 2015: INR 145) 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 42 to 365 days and carry an interest rate of 6% to 8.2% which is receivable on maturity.

(Amounts in INR millions, unless otherwise stated)

11 Share capital

The Special Purpose Combined Financial Statements do not represent a legal entity structure. The share capital of the Restricted Group is the summation of the share capital of the respective entities of the Restricted Group.

Authorised share capital	**Number of shares**	**Amount**
Equity shares of INR 10 each		
At 1 April 2014	8,540,000	85
Increase during the year	3,750,800	38
At 31 March 2015	**12,290,800**	123
Increase during the year	2,875,000	29
At 31 March 2016	**15,165,800**	**152**
0.001% redeemable non cumulative preference shares (RNCPS) of INR 10 each		
At 1 April 2014	2,000,000	20
Increase during the year	-	-
At 31 March 2015	2,000,000	20
Increase during the year	-	-
At 31 March 2016	**2,000,000**	**20**
0.0001% compulsory convertible preference shares (CCPS) of INR 10 each		
At 1 April 2014	-	-
Increase during the year	21,000,000	210
At 31 March 2015	21,000,000	210
Increase during the year	2,825,000	28
At 31 March 2016	**23,825,000**	**238**

Issued share capital	**Number of shares**	**Amount**
11A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2014	2,950,000	30
Shares issued during the year	6,169,000	61
At 31 March 2015	9,119,000	91
Shares issued during the year	2,685,000	27
At 31 March 2016	**11,804,000**	**118**

Terms/rights attached to equity shares

The respective entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the respective entities forming part of Restricted Group will declare and pay dividends in Indian rupees.
In the event of liquidation of a respective entities forming part of Restricted Group, the holders of equity shares of such respective entities forming part of Restricted Group will be entitled to receive remaining assets of the respective entities forming part of Restricted 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 respective entities forming part of Restricted Group.

11B Equity component of preference shares:

(i) 0.0001% redeemable non cumulative preference shares (RNCPS) of INR 10 each (including share premium of INR 90 each)	**Number of shares**	**Total proceeds**	**Liability component (refer note 13)**	**Equity component***
At 1 April 2014				
Shares issued during the year	1,881,220	188	32	140
Accretion during the year			1	-
At 31 March 2015	1,881,220	188	32	140
Accretion during the year	-	-	4	-
At 31 March 2016	**1,881,220**	**188**	**36**	**140**

(*Adjusted for deferred tax at inception)

(Amounts in INR millions, unless otherwise stated)

(ii) 0.0001% compulsorily convertible preference shares (CCPS) of INR 10 each

	Number of shares	Amount
At 1 April 2014	-	-
Shares issued during the year	16,248,850	162
At 31 March 2015	16,248,850	162
Shares issued during the year	5,967,120	60
At 31 March 2016	**22,215,970**	**222**

Terms/rights attached to preference shares

Redeemable non cumulative preference shares (RNCPS)

The respective entities forming part of Restricted Group has issued 1,881,220 RNCPS in FY 2014-15 of Rs.10 each fully paid-up at a premium of Rs. 90 per share. RNCPS carry non cumulative dividend @ 0.0001%. The respective entities forming part of Restricted Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting and conversion rights. RNCPS shall be redeemed at Rs. 100 per share on March 31, 2030 or as may be determined by the Board in one or more tranches and agreed by the preference shareholder.

In the event of any Liquidation of the respective entities forming part of Restricted Group, the RNCPS shall be entitled to receive an amount that equal to the face value of preference share and such dividend in arrear, if any, declared and remained unpaid. The RNCPS shall also have right to participate in surplus assets & profits, which may remain after the entire capital (both equity share capital and Preference share capital) has been repaid, to the extent of Rs 90 per share.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)

The respective entities forming part of Restricted Group has issued 16,248,850, 0.0001% CCPS during F.Y. 2014-15 and 3,542,120, 0.0001% CCPS during F.Y. 2015-16 of INR 10 each fully paid-up at a premium of INR 90 per share. CCPS carry non cumulative dividend @ 0.0001%. The respective entities forming part of Restricted Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective entities forming part of Restricted Group is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable. CCPS would be compulsorily converted into Equity Shares of the respective companies forming part of Restricted Group at the price of INR 100 (Rupees Hundred) per share on March 31, 2030, 19,790,970 number and on March 31, 2025, 2,425,000 number (in the ratio of 1 equity shares : 1 preference shares.

In the event of Liquidation of a respective entities forming part of Restricted Group, the holders of CCPS shall be paid 1 times the face value of CCPS and such dividend in arrear, if any, declared and remained unpaid. The said preference shares shall have right to participate in surplus assets and profits on winding up, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of Rs 90 per preference share.

11C Shares held by the holding company and/or their subsidiaries in the Restricted Group

	31 March 2016		01 April 2015	
	Number of shares	Amount	Number of shares	Amount
Renew Power Limited (refer note 27)				
Equity shares of INR 10 each	11,784,000	118	9,109,000	91
Redeemable non cumulative preference shares of INR 10 each	1,881,220	19	1,881,220	19
0.0001% compulsorily convertible preference shares of INR 10 each	21,415,970	213	16,248,850	162
ReNew Solar Power Private Limited (refer note 27)				
Equity shares of INR 10 each	20,000	0	10,000	0
0.0001% compulsorily convertible preference shares of INR 10 each	800,000	8	-	-

(Amounts in INR millions, unless otherwise stated)

		31 March 2016		01 April 2015	
11D	**Details of shareholders holding more than 5% shares in the Restricted Group**	**Number**	**% Holding**	**Number**	**% Holding**
	Renew Power Limited (refer note 27)				
	Equity shares of INR 10 each	11,784,000	99.83%	9,109,000	99.89%
	Redeemable non cumulative preference shares of INR 10 each	1,881,220	100.00%	1,881,220	100.00%
	0.0001% compulsorily convertible preference shares of INR 10 each	21,415,970	96.40%	16,248,850	100.00%
	ReNew Solar Power Private Limited (refer note 27)				
	Equity shares of INR 10 each	20,000	0.17%	10,000	0.11%
	0.0001% compulsorily convertible preference shares of INR 10 each	800,000	3.60%	-	-

12 Other equity

12A	**Share application money pending allotment**	
	At 1 April 2014	-
	Share application money received	65
	At 31 March 2015	65
	Preference shares issued during the year	(65)
	Share application money received	50
	At 31 March 2016	**50**

12B	**Securities premium**	
	At 1 April 2014	261
	Premium on issue of equity shares during the year	543
	Premium on issue of preference shares during the year	1,462
	At 31 March 2015	**2,266**
	Premium on issue of equity shares during the year	240
	Premium on issue of preference shares during the year	537
	Amount utilized for issue of preference shares	(2)
	At 31 March 2016	**3,041**

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.

12C	**Hedge reserve (refer note 29)**	
	At 1 April 2014	8
	Movement in hedge reserve	(87)
	At 31 March 2015	**(79)**
	Movement in hedge reserve	(24)
	At 31 March 2016	**(103)**

Nature and purpose

The respective entities forming part of Restricted 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, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

12D	**Retained earnings**	
	At 1 April 2014	135
	Loss for the year	(361)
	At 31 March 2015	**(226)**
	Loss for the year	(84)
	At 31 March 2016	**(310)**

(Amounts in INR millions, unless otherwise stated)

13 Long-term borrowings	Nominal interest rate %	Maturity		Non-current 31 March 2016	Non-current 01 April 2015	Current 31 March 2016	Current 01 April 2015
From Banks							
Term loan from bank (secured)	6 Months Libor + 4.23% 3 Months Libor + 3.62% - 4.04%	30 September 2016 - 31 December 2029		7,453	2,354	150	153
Total long-term borrowings			**(a)**	**7,453**	**2,354**	**150**	**153**
Liability component of preference shares (unsecured) (refer note 11 B)	0.0001%	31 March 2030		36	32	-	-
(includes accretion on redeemable preference shares of INR 4 (1 April 2015 INR 0.605))			**(b)**	**36**	**32**	**-**	**-**
Total long-term borrowings			**(a) + (b)**	7,489	2,386	150	153
Amount disclosed under the head 'Other current financial liabilities' (Refer note 18)				-	-	(150)	(153)
				7,489	**2,386**	**-**	**-**

Notes:

(i) Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the respective companies forming part of the Restricted Group .

(ii) ReNew Power Limited, the holding company, has pledged 8,948,998 (01 April 2015; 8,938,999) of equity and 21,672,190 (01 April 2015; 1,881,220) preference shares respective companies forming part of the Restricted Group in favour of security trustee

(iii) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding company till the creation of security.

(Amounts in INR millions, unless otherwise stated)

14 Other non-current liabilities

	As at 31 March 2016	As at 01 April 2015
Provision for operation and maintenance equalisation	77	27
Total	**77**	**27**

15 Short term borrowings

	As at 31 March 2016	As at 01 April 2015
Loan from related party* (unsecured) (refer note 27)	926	232
Total	**926**	**232**

*Unsecured loan from related party is repayable on demand and carries interest at yield on government securities of 3 years period, i.e. 8.00% per annum.

16 Trade payables

	As at 31 March 2016	As at 01 April 2015
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 34)	-	-
Others	56	7
Total	**56**	**7**

17 Derivative instruments

	As at 31 March 2016	As at 01 April 2015
Financial liabilities at fair value through OCI (current)		
Cash flow hedges		
Derivative instruments	118	85
Total	**118**	**85**

18 Other current financial liabilities

	As at 31 March 2016	As at 01 April 2015
Financial liabilities at amortised cost		
Current maturities of long term borrowings (refer note 13)	150	153
Others		
Interest accrued but not due on borrowings	77	38
Capital creditors	1,787	255
Total	**2,014**	**446**

19 Other current liabilities

	As at 31 March 2016	As at 01 April 2015
Other payables		
TDS payable	33	8
Service tax payable	0	0
Total	**33**	**8**

20 Short term provisions

	As at 31 March 2016	As at 01 April 2015
Income tax provision (net of advance tax)	1	-
Total	**1**	**-**

(Amounts in INR millions, unless otherwise stated)

21 Revenue from operations

	For the year ended 31 March 2016
Income from operation	
Sale of power	467
Total	**467**

22 Other income

	For the year ended 31 March 2016
Interest income	
- on fixed deposit with banks	57
- income tax refund	0
Government grant	
- generation based incentive	42
Miscellaneous income	0
Total	**99**

23 Other expenses

	For the year ended 31 March 2016
Legal and professional fees	6
Travelling and conveyance	1
Management shared services	22
Rates and taxes	3
Payment to auditors (refer details below)	1
Insurance	2
Operation and maintenance	55
Repair and maintenance	
- plant and machinery	0
Miscellaneous expenses	2
	92

Payment to auditors

	For the year ended 31 March 2016
As auditor:	
Audit fee	1
Reimbursement of expenses	0
In other capacity:	
Other services	0
	1

24 Depreciation expense

	For the year ended 31 March 2016
Depreciation of property, plant & equipment (refer note 4)	244
Total	**244**

25 Finance costs

	For the year ended 31 March 2016
Interest expense on	
- term loans	382
- loan from related party (refer note 27)	35
- acceptance	10
- liability component of redeemable non-cumulative preference shares	4
Bank charges	8
Amortization of option premium	33
Total	**472**

(Amounts in INR millions, unless otherwise stated)

26 Earnings per share (EPS)

The Special Purpose Combined Financial Statements do not represent legal entity structure and are aggregated for a specific purpose. Accordingly, Earnings Per Share (EPS) on aggregated number of shares has not been disclosed.

27 Related Party Disclosures

a) Names of related parties and related party relationship
The names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationship as identified by the management are:

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Limited
ReNew Solar Energy (Telangana) Private Limited	ReNew Solar Power Private Limited*
ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited*
ReNew Clean Energy Private Limited	ReNew Solar Power Private Limited*
ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited*

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Limited.

II. Intermediate Holding Company

Name of entity	Intermediate Holding Company
ReNew Clean Energy Private Limited	ReNew Power Limited
ReNew Wind Energy (Budh 3) Private Limited	ReNew Power Limited

III. Ultimate Holding Company

Name of entity	Ultimate Holding Company
ReNew Wind Energy (Devgarh) Private Limited	GS Wyvern Holdings Limited
ReNew Wind Energy (Rajasthan 3) Private Limited	GS Wyvern Holdings Limited
ReNew Solar Energy (Telangana) Private Limited	ReNew Power Limited
ReNew Saur Urja Private Limited	ReNew Power Limited
ReNew Clean Energy Private Limited	GS Wyvern Holdings Limited
ReNew Wind Energy (Budh 3) Private Limited	GS Wyern Holding Limited

IV. Key management personnel :

Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Limited.

V. Fellow subsidiaries with whom transactions occurred during the year:

ReNew SE Karnataka Private Limited
ReNew Wind Energy (Jamb) Private Limited

b) Details of transactions with Holding Company/ Ultimate/ Intermediate Holding Company:

Particulars	ReNew Power Limited	ReNew Solar Power Private Limited
	For the year ended March 31, 2016	For the year ended March 31, 2016
Issue of equity shares (including security premium)	-	27
Issue of CCPS (including securities premium)	354	96
Share application money received	-	50
Share application money refunded	1	-
Unsecured loan received	820	50
Unsecured loan repaid	175	-
Expenses incurred on behalf of the holding company	8	-
Payment on behalf of holding company	0	-
Reimbursement of expenses	14	-
Purchase of services#	168	-
Interest expense on unsecured loan	39	1
Interest expense on liability component of redeemable non-cumulative preference shares	4	-

The holding/ultimate holding/intermediate holding Company (ReNew Power Limited) has charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the respective Companies under restricted group is most appropriate basis for recovering of such common expenses.

(Amounts in INR millions, unless otherwise stated)

c) Details of outstanding balances with holding company / Ultimate/ Intermediate holding company::

Particulars	ReNew Power Limited		ReNew Solar Power Private Limited	
	As at 31 March 2016	As at 01 April 2015	As at 31 March 2016	As at 01 April 2015
Share application money pending allotment	-	-	50	-
Unsecured loan payable	876	232	50	-
Trade payables	22	3	0	-
Capital creditors	253	92	-	-
Interest expense accrued on unsecured loan	75	38	1	-
Advance to related party	0	-	-	-

d) Details of transactions with fellow subsidiaries:

Particulars	ReNew SE Karnataka Private Limited
	For the year ended 31 March 2016
Issue of equity shares (including securities premium)	409
Issue of CCDs	179

e) Details of outstanding balances with fellow subsidiaries:

Particulars	ReNew Wind Energy (Jamb) Private Limited	
	As at 31 March 2016	As at 01 April 2015
Recoverable from related party	0	0

f) Compensation of Key management personnel

Remuneration to the key managerial personnel is paid by the holding company / ultimate holding company / intermediate holding company (ReNew Power Limited) of companies forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Limited, the holding Company.

h) ReNew Power Limited, the holding company, has pledged 8,948,998 (01 April 2015 8,938,999) of equity and 21,672,190 (01April 2015 1,881,220) preference shares of the company in favour of security trustee on behalf of lenders.

(Amounts in INR millions, unless otherwise stated)

28 Segment Information

The Managing Director of ReNew Power 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 Restricted Group discloses segment information in a manner consistent with internal reporting to group's Managing Director. The entities forming part of the Restricted Group have segments based on type of business operations. The reportable segments of respective companies under the Restricted Group are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Restricted Group entities does not operate in more than one geographical segment. The Restricted Group discloses in the segment information operating profit, comparable operating profit and comparable EBITDA.

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 2016		
	Wind Power	**Solar Power**	**Total**
Sale of power and sale of renewable energy certificates	467	-	467
Revenues from operations	**467**	**-**	**467**
Less: Inter-segment	-	-	-
Revenues from external customers	**467**	**-**	**467**
Interest income	51	6	57
Other Income (other than interest income)	42	-	42
Exceptional items	120	-	120
Total income	**680**	**6**	**686**
Less: Other expenses	91	1	92
Earning before interest, tax, depreciation and amortization (EBITDA)	**589**	**5**	**594**

The revenues from two major customers amounts to INR 467, each of which contributes more than 10% of the total revenue of the Restricted Group. All the revenue mentioned above pertains to wind segment.

(Amounts in INR millions, unless otherwise stated)

29 Hedging activities and derivatives

Derivatives designated as hedging instruments

The entities forming part of the Restricted Group uses certain types of derivative financial instruments (viz. foreign currency forwards, cross-currency interest rate swap) to manage/mitigate their exposure to foreign exchange and interest risk. Further, the respective companies forming part of the Restricted 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 cash flow hedge reserve - a component of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss within other expense / other income. The amounts accumulated in equity for highly probable forecast transaction are added to carrying value of non financial asset or non financial liability as basis adjustment, other amounts accumulated in equity are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

At any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss within other expense / other income.

Cash flow hedges

Hedge has been taken against exposure to foreign currency risk and variable interest outflow on term loan. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:-

i. Pay fixed INR and receive USD and fixed interest at 10.61% to 13.50% p.a. and receive a variable interest at 3 to 6 month LIBOR plus 3.00 % to 3.85% p.a. on the notional amount.

The cash flow hedges through CCIRS is USD 127,116,016 outstanding at the year ended 31 March 2016 were assessed to be highly effective and hedging reserve of INR 147 with a deferred tax asset of INR 44 is included in OCI.

Foreign currency and Interest rate risk

Forward contracts and swaps measured at the fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principle payments in USD.

	31 March 2016		01 April 2015	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Current financial assets				
Derivative contracts designated as hedging instruments	94	-	-	-
Current financial liabilities				
Derivative contracts designated as hedging instruments	-	118	-	85

Hedging reserve movement	**As at 31 March 2016**	**As at 01 April 2015**
Balance at the beginning of the year	(79)	8
Gain/(loss) recognised on cash flow hedges	(35)	(122)
Income tax relating to gain/loss recognized on cash flow hedges	11	35
Balance at the end of the year	(103)	(79)

(Amounts in INR millions, unless otherwise stated)

30 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the respective companies forming part of the Restricted Group, other than those with carrying amounts that are reasonable approximations of fair values:

	31 March 2016		01 April 2015	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Bank deposits with remaining maturity for more than twelve months	0	0	-	-
Trade receivables	357	357	44	44
Cash and cash equivalent	448	448	133	133
Bank balances other than cash and cash equivalent	1,115	1,115	177	177
Derivative instruments	94	94	-	-
Other current financial assets	175	175	32	32
Financial liabilities				
Term loan from bank	7,453	7,453	2,354	2,354
Liability component of preference shares	36	36	32	32
Short-term borrowings	926	926	232	232
Trade payables	56	56	7	7
Derivative instruments	118	118	85	85
Other current financial liabilities	2,014	2,014	446	446

The management of the respective companies forming part of the Restricted Group assessed that cash and cash equivalents, trade receivables, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

i The fair values of the respective companies forming part of the Restricted Group's Term loans from banks including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2016 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of redeemable preference shares is estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii The respective entities forming part of the Restricted 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.

31 Fair value hierarchy

The respective entities forming part of the Restricted 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 respective companies forming part of Restricted Group's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the respective companies forming part of the Restricted Group :-

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at year end:

	Level of fair value measurement	31 March 2016		01 April 2015	
		Carrying value	Fair value	Carrying value	Fair value
Financial Assets (Current)					
Financial assets measured at fair value through profit & loss					
Derivative instruments	Level 2	94	94	-	-
Total		**94**	**94**	**-**	**-**
Financial assets measured at amortised cost					
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 2	0	0	-	-
Total		**0**	**0**	**-**	**-**
Financial Assets (Current): Others					
Generation based incentive receivable	Level 2	41	41	7	7
Recoverable from related parties	Level 2	0	0	0	0
Unbilled revenue	Level 2	98	98	14	14
Interest accrued on fixed deposits	Level 2	36	36	11	11
Total		**175**	**175**	**32**	**32**

(Amounts in INR millions, unless otherwise stated)

Trade receivables	Level 2	**357**	**357**	**44**	**44**
Cash and bank balances					
Cash and cash equivalent	Level 2	448	448	133	133
Bank balances other than cash and cash equivalent	Level 2	1,115	1,115	177	177
Total		**1,563**	**1,563**	**310**	**310**
Measured at fair value through other comprehensive income					
Derivative instruments	Level 2	118	118	85	85
Financial liabilities measured at amortised cost					
Liability component of preference shares	Level 2	36	36	32	32
Term loan from banks	Level 2	7,453	7,453	2,354	2,354
Total		**7,489**	**7,489**	**2,386**	**2,386**
Short-term borrowings	Level 2	926	926	232	232
Trade payables	Level 2	**56**	**56**	**7**	**7**
Financial liabilities (Current): Others					
Current maturities of long term borrowings	Level 2	150	150	153	153
Interest accrued but not due on borrowings	Level 2	77	77	38	38
Capital creditors	Level 2	1,787	1,787	255	255
Total		**2,014**	**2,014**	**446**	**446**

Particulars	**Fair value hierarchy**	**Valuation technique**	**Inputs used**
Financial assets measured at fair value through other comprehensive income			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flows
Financial assets measured at amortised cost			
Bank deposits with remaining maturity for more than twelve months	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Non current security deposit	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Generation based incentive receivable	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Recoverable from related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Unbilled revenue	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current security deposits	Level 2	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
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank balances other than cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial liabilities measured at fair value through other comprehensive income			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flows
Financial liabilities measured at amortised cost			
Liability component of preference shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan from banks	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Short-term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows

(Amounts in INR millions, unless otherwise stated)

32 Financial Risk Management objectives and policies

The respective entities forming part of the Restricted Group principal financial liabilities comprise borrowings, trade payables , derivative instruments and other financial liabilities. The main purpose of these financial liabilities is to finance the respective entities forming part of Restricted Group's operations and to support its operations. The respective companies forming part of the Restricted Group financial assets include trade and other receivables, and cash & cash equivalents and other financial assets.

The respective entities forming part of the Restricted Group is exposed to market risk, credit risk and liquidity risk. The respective companies forming part of the Restricted Group's senior management oversees the management of these risks. The Restricted Group's senior management is supported by a various sub committees that advises on financial risks and the appropriate financial risk governance framework for the Restricted Group. These committees provides assurance to the Restricted Group's senior management that the Restricted Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Restricted Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

Market Risk

Market risk is the risk that the entities forming part of the Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2016. 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 2016.

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The respective companies forming part of Restricted Group is exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. The respective companies forming part of Restricted Group also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. floating interest borrowings in USD. With all other variables held constant, the Restricted Group's profit before tax is affected through the impact on financial assets, as follows:

	31 March 2016		
	Increase/decrease in basis points	**Effect on profit before tax**	**Effect on equity**
US dollar	+/(-)60	+/(-) 3	+/(-) 2

*Since 80% of USD borrowings is hedged by cross currency interest rate swaps, the sensitivity analysis has been performed on balance USD borrowings.

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 Restricted Group minimises the foreign currency (US dollar) interest rate exposure through derivatives and INR interest rate exposure through re-financing.

Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The respective companies forming part of Restricted Group is exposed to foreign currency risk arising from imports of capital equipment in US dollars and ECB in US dollars. The respective companies forming part of Restricted Group hedges its exposure to fluctuations on the translation into INR of its buyer's/supplier's credit by using foreign currency interest rate swaps. The respective companies forming part of Restricted Group has followed a conservative approach for hedging the foreign currency risk so as to not use complex forex derivatives.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and INR exchange rates, with all other variables held constant. The impact on the respective entities forming part of Restricted Group's profit before tax is due to changes in the fair value of monetary liabilities comprising of external commercial borrowings and buyer's/supplier's credit in US dollars. The impact on the respective companies forming part of Restricted Group's pre-tax equity is due to changes in the fair value of cross-currency interest-rate swaps (CCIRS) designated as cash flow hedges. The respective entities forming part of Restricted Group 's exposure to foreign currency changes for all other currencies is not material.

	31 March 2016	
Change in USD rate		
Effect on profit before tax	5%	-5%
	(25)	25

Credit Risk

Credit risk is the risk that the power procurer will not meet their obligations under a financial instrument or customer contract, leading to a financial loss. The respective companies forming part of Restricted Group are exposed to credit risk from their operating activities (primarily trade receivables) but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further the Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.

The maximum credit exposure to credit risk for the components of the balance sheet at 31 March 2016 and 01 April 2015 is the carrying amount of all the financial assets.

Trade Receivables

Customer credit risk is managed basis established policies of respective companies forming part of Restricted Group, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The respective companies forming part of Restricted Group does not hold collateral as security.

The respective companies forming part of Restricted Group has state utilities/government entities as it's customers with high credit worthiness, therefore, the Restricted Group does not see any risk related to credit. The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the respective companies under the Restricted Group, and may be updated throughout the year subject to approval of group's finance committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(Amounts in INR millions, unless otherwise stated)

Liquidity Risk

Liquidity risk is the risk that the respective companies forming part of the Restricted Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the respective companies forming part of the Restricted Group to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The respective companies forming part of the Restricted Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The respective companies forming part of the Restricted Group have access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The respective companies forming part of the Restricted Group rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind power plants and related assets. Our non-recourse financing is designed to limit cross default risk to the Parent Company or other subsidiaries and affiliates. Our non-recourse long-term debt is a combination of fixed and variable interest rate instruments. External commercial borrowings which are at variable rate is fixed through the use of cross currency interest rate swaps. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. In certain cases, the currency is matched through the use of derivative instruments. The majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

The table below summarizes the maturity profile of financial liabilities of respective companies forming part of the Restricted Group based on contractual undiscounted payments:

Year ended 31 March 2016	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Borrowings						
Term loan from Banks *	-	166	709	6,217	7,347	14,439
Liability component of preference shares	-	-	-	-	36	36
Short term borrowings						
Loans from related party	926	-	-	-	-	926
Other financial liabilities						
Current maturities of long term borrowings	-	-	150	-	-	150
Interest accrued but not due on borrowings	75	2	-	-	-	77
Mark to market on derivatives				118		118
Capital creditors	172	1,615	-	-	-	1,787
Trades payables						
Trades payables	26	30	-	-	-	56

* Including future interest payments.

The respective companies forming part of the Restricted Group expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

Year ended 01 April 2015	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Borrowings						
Term loan from Banks *	-	-	-	1,761	2,570	4,331
Redeemable non cumulative preference shares	-	-	-	-	32	32
Short term borrowings						
Loans from related party	232	-	-	-	-	232
Other financial liabilities						
Current maturities of long term borrowings	-	-	153	-	-	153
Interest accrued but not due on borrowings	38	-	-	-	-	38
Mark to market on derivatives	-	-	85	-	-	85
Capital Creditors	92	163	-	-	-	254
Trades payables						
Trades payables	3	4	-	-	-	7

* Including future interest payments.

(Amounts in INR millions, unless otherwise stated)

33 Capital management

For the purpose of the capital management by the respective companies forming part of the Restricted Group, capital includes issued equity capital, compulsory convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the respective companies forming part of the Restricted Group. The primary objective of the respective companies forming part of Restricted Group's capital management is to maximise the shareholder value.

The respective companies forming part of the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the respective companies forming part of Restricted Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The respective companies forming part of the Restricted Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The respective companies forming part of the Restricted Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

The policy of the respective companies forming part of the Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with industry standard rate. In the construction phase the respective companies forming part of the Restricted Group manages the ratio at 3:1 through internal funding.

In order to achieve this overall objective, the capital management by the respective companies forming part of the Restricted Group, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2016.

34 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 2016	As at 01 April 2015
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/period	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year/period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

35 Contingent Liabilities and Commitments (to the extent not provided for)

(i) Contingent liabilities
As at 31 March 2016, the respective companies forming part of the Restricted Group has a contingent liability towards interest on service tax payable of INR 153 (1 April 2015: nil)

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
There are no capital commitments as on 31 March 2016 (1 April 2015: nil)

36 During previous year, the respective companies forming part of the Restricted Group has reached settlement with certain suppliers/ contractors on account of delay in commissioning of Bhesada project. Resultantly, an amount of INR 120 million for Bhesada project towards liquidated damages ("LDs") was recognized in the statement of profit and loss for the year ended 31 March 2016. (1 April 2015 Nil)
Since, the said LDs were derived towards delay in supply / commissioning of capital assets (power projects), resulting into delay in creating profit-making apparatus / source of income, the same were regarded as capital receipt and, hence, not regarded as income subject to tax under the provisions of Income-tax Act, 1961 ('IT Act'). Accordingly, the said LDs were also not included in 'book profit' under section 115JB of the IT Act. The company interpretation on the matter of applicability to minimum alternative tax on such book profits under section 115JB of the IT Act is also supported by opinion of the experts which were taken on the issue.

37 Significant accounting judgments, estimates and assumptions

The preparation of Special Purpose Combined Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The respective companies forming part of the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the respective companies forming part of the Restricted 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 respective companies forming part of the Restricted 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

Basis legal opinion obtained, management is of the view that application of CERC and/or SERC rates for the purpose of accounting for depreciation expenses is not mandatory. Hence, respective companies forming part of the Restricted Group are depreciating the assets bases on life as determined by an expert.

B) Estimates and assumptions:-

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 30 and 31 for further disclosures.

38 There are no employees on the rolls of the respective entities forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. Parent Company (ReNew Power Limited) allocates employee costs to the respective companies forming part of the Restricted Group as management shared services and is not separately identifiable.

39 Absolute amounts less than INR 500,000 are appearing in the financial statements as "0" due to presentation in millions.

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 11 February 2019

Sumant Sinha
Chairman & Managing Director
DIN- 00972012
Place: Gurugram
Date: 11 February 2019

Ravi Seth
Chief Financial Officer
Place: Gurugram
Date: 11 February 2019

Ashish Jain
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 11 February 2019

S.R. Batliboi & Co. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Ostro Energy Private Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Ostro Energy Private Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and jointly controlled entities, comprising of the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated

S.R. BATLIBOI & CO. LLP
GURUGRAM

financial statements. We believe that the audit evidence obtained by us 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 consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by 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 and jointly controlled entities as at consolidated Ind AS financial statements at31 March 2018, their consolidated loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements and other financial information, in respect of 6 subsidiaries whose Ind AS financial statements include total assets of Rs 19.10 million and net assets of Rs 9.93 million as at 31 March 2018, and total revenues of Rs 0.10 million and net cash inflows of Rs 0.70 million for the year ended on that date. These financial statement and other financial information have been 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 Ind AS 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 reports of such other auditors.

Our opinion above on the consolidated Ind AS 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.

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, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports 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 purpose of our audit of the aforesaid consolidated Ind AS 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, 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 Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

S.R. BATLIBOI & CO. LLP * GURUGRAM *

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled companies entities, none of the directors of the Group's companies and jointly controlled entities incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, its subsidiary companies and jointly controlled companies entities incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) 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, 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, as noted in the 'Other matter' paragraph:

i. The Group and its jointly controlled entities does not have any pending litigations as at 31 March 2018 which would impact its consolidated financial position;

ii. The Group and its jointly controlled entities did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2018;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled incorporated in India during the year ended 31 March 2018.

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 GURUGRAM

Place of Signature: Gurugram
Date: 16 July 2018

Annexure to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Ostro Energy 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")

In conjunction with our audit of the consolidated Ind AS financial statements of Ostro Energy Private Limited as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Ostro Energy Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, are 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 Ind AS financial statements.

S.R. BATLIBOI & CO. LLP GURUGRAM

Meaning of Internal Financial Controls over Financial Reporting With Reference to these Consolidated Ind AS financial statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at 31 March 2018, 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
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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 Ind AS financial statements of the Holding Company, insofar as it relates to these 6 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and jointly controlled entities incorporated in India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Amit Chugh**
Partner
Membership Number: 505224

Place of Signature: Gurugram
Date: 16 July 2018

Ostro Energy Private Limited
Consolidated Balance Sheet as at 31 March 2018
(Amounts in INR million, unless otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	50,516.77	44,943.15	15,447.33
Capital work in progress	3	5,231.59	178.61	462.71
Goodwill	4	225.52	225.52	225.52
Other intangible assets	4	0.64	1.55	1.90
Financial assets				
Investments accounted for using the equity method	5	390.48	204.49	-
Other Investments	5	642.88	234.96	-
Others	5	80.05	176.69	1.60
Deferred tax assets	6	317.04	409.21	160.10
Prepayments	7	695.71	701.83	172.38
Other non-current assets	8	1,243.47	951.03	4,250.74
Total non-current assets		**59,344.15**	**48,027.04**	**20,722.28**
Current assets				
Financial assets				
Investments	5	4,334.14	4,079.54	511.78
Trade receivables	9	960.15	553.90	300.70
Cash and cash equivalent	10	4,082.74	2,638.43	1,244.92
Bank balances other than cash and cash equivalent	10	969.95	183.03	-
Others	5	634.58	557.32	107.19
Prepayments	7	204.36	106.88	132.34
Other current assets	8	39.32	57.70	2.69
Total current assets		**11,225.24**	**8,176.80**	**2,299.62**
TOTAL ASSETS		**70,569.39**	**56,203.84**	**23,021.90**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	14,025.18	12,107.35	3,546.67
Other equity				
Equity Component of compulsorily convertible debentures	12A	419.83	419.83	441.43
Share premium	12B	4,680.70	3,449.49	-
Retained earnings	12C	(249.92)	57.79	(67.41)
Hedging reserve	12D	-	(36.42)	-
Equity attributable to owners of the parent		**18,875.79**	**15,998.04**	**3,920.69**
Non-controlling interests	12E	-	-	0.68
Total equity		**18,875.79**	**15,998.04**	**3,921.37**
Non-current liabilities				
Financial liabilities				
Long-term borrowings	13	44,171.34	32,185.41	11,410.44
Others	18	-	33.71	15.86
Long-term provisions	14	0.03	-	0.27
Deferred tax liabilities (net)	6	104.09	-	163.79
Other non-current liabilities	15	734.54	249.37	39.37
Total non-current liabilities		**45,010.00**	**32,468.49**	**11,629.73**
Current liabilities				
Financial liabilities				
Short-term borrowings	16	1,930.61	-	1.93
Trade payables	17	66.04	107.66	58.39
Others	18	4,314.77	7,518.65	7,339.23
Other current liabilities	19	248.62	107.42	66.95
Short term provisions	20	123.56	3.58	4.30
Total current liabilities		**6,683.60**	**7,737.31**	**7,470.80**
Total liabilities		**51,693.60**	**40,205.80**	**19,100.52**
TOTAL EQUITY AND LIABILITIES		**70,569.39**	**56,203.84**	**23,021.90**
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Ostro Energy Private Limited

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurugram
Date: 16 July 2018

Surendra Vinod
Director
DIN No- 7643036

Place: Gurugram
Date: 16 July 2018

Parmeshhwar Ravi
Director
DIN No- 5216282

Place: Gurugram
Date: 16 July 2018

Ankush Wadhawan
Company Secretary
M. No- A21384

Place: Gurugram
Date: 16 July 2018

Ostro Energy Private Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(Amounts in INR million, unless otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income:			
Revenue from operations	21	6,358.21	2,650.68
Other income	22	922.80	591.48
Total income		**7,281.01**	**3,242.16**
Expenses:			
Employee benefits expense	23	605.95	34.49
Other expenses	24	774.55	373.22
Total expenses		**1,380.50**	**407.71**
Earning before interest, tax, depreciation and amortization (EBITDA)		**5,900.51**	**2,834.45**
Depreciation expense	25	1,840.04	814.04
Finance costs	26	4,031.03	2,234.64
Profit / (Loss) before tax		**29.44**	**(214.23)**
Tax expense			
Current tax		152.60	56.66
Deferred tax	6	197.12	(397.16)
Profit / (loss) for the year before profit / (loss) of entities under joint control		**(320.28)**	**126.27**
Share of profit / (loss) of entities under joint control		15.02	(0.96)
Profit / (loss) for the year		**(305.26)**	**125.31**
Other comprehensive income (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Net movement on cash flow hedges (net of tax)		36.42	(36.42)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**36.42**	**(36.42)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gains / (losses) on defined benefit obligation		(3.31)	(0.08)
Income tax effect		0.86	(0.03)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods, net		**(2.45)**	**(0.11)**
Other comprehensive income for the year, net of tax		**33.97**	**(36.53)**
Total comprehensive income for the year		**(271.29)**	**88.78**
Earnings per share (face value per share : INR 10)			
Basic	27	(0.23)	0.24
Diluted	27	(0.23)	0.24
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Ostro Energy Private Limited

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurugram
Date: 16 July 2018

Surendra Vinod
Director
DIN No- 7643036

Place: Gurugram
Date: 16 July 2018

Parmeshhwar Ravi
Director
DIN No- 5216282

Place: Gurugram
Date: 16 July 2018

Ankush Wadhawan
Company Secretary
M. No- A21384

Place: Gurugram
Date: 16 July 2018

Ostro Energy Private Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2018

(Amounts in INR million, unless otherwise stated)

Particulars	**Year ended 31 March 2018**	**Year ended 31 March 2017**
Profit / (Loss) before tax	29.44	(214.31)
Adjustments for:		
Depreciation and amortization expense	1,840.04	814.04
Share based payment	-	3.95
Interest income	(73.28)	(27.69)
Interest expense	4,031.03	2,157.27
Fair value gain on mutual funds	(151.26)	(64.76)
Unreliased gain on mark to market of mutual fund	(74.21)	(27.38)
Operating profit before working capital changes	**5,601.76**	**2,641.12**
Movement in working capital		
(Increase)/decrease in trade receivables	(406.06)	(409.77)
(Increase)/decrease in financial and non financial assets	(148.18)	(25.79)
Increase/(decrease) in financial and non financial liabilities	729.06	79.10
Increase/(decrease) in provisions	117.92	22.16
Cash generated from operations	**5,894.50**	**2,306.82**
Direct taxes paid (net of refunds)	(242.68)	(96.39)
Net cash generated in operating activities	**5,651.82**	**2,210.43**
Cash flow from investing activities		
Investment in fixed deposits with banks	(690.28)	(357.59)
Purchase of fixed asset including CWIP	(16,894.39)	(25,117.01)
Investments (made)/redeemed	(571.57)	(4,052.44)
Interest received	72.88	14.66
Net cash used in investing activities	**(18,083.36)**	**(29,512.38)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium)	3,149.04	6,366.10
Proceeds from long (net of ancilliary cost of borrowings)	13,233.38	24,038.17
Repayment of long-term borrowings	(333.87)	(1.93)
Proceeds from short term borrowings	1,930.61	-
Interest paid	(4,103.31)	(1,706.88)
Net cash generated from financing activities	**13,875.85**	**28,695.46**
Net (decrease) / increase in cash and cash equivalents	**1,444.31**	**1,393.51**
Cash and cash equivalents at the beginning of the year	**2,638.43**	**1,244.92**
Cash and cash equivalents at the end of the year	**4,082.74**	**2,638.43**
Components of cash and cash equivalents		
Cash and cheques on hand	0.16	0.05
Balances with banks:		
- On current accounts	1,656.22	1,946.66
- On deposit accounts with original maturity of less than 3 months	2,426.36	691.72
Total cash and cash equivalents (note 10)	**4,082.74**	**2,638.43**

Change in laiblities arising from financing activities

IND AS 7	**Opening balance as at 1 April 2017**	**Cash flows (net)**	**Other changes**	**Closing balance as at 31 March 2018**
Long-term borrowings (including current maturities)	32,704.27	12,899.51	(256.98)	45,588.64
Short term borrowings	-	1,930.61	-	1,930.61
Total liabilities from financing activities	**32,704.27**	**14,830.13**	**(256.98)**	**47,519.25**

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Ostro Energy Private Limited

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurgaon
Date: 16 July 2018

Surendra Vinod
Director
DIN No- 7643036

Place: Gurugram
Date: 16 July 2018

Parmeshhwar Ravi
Director
DIN No- 5216282

Place: Gurugram
Date: 16 July 2018

Ankush Wadhawan
Company Secretary
M. No- A21384

Place: Gurugram
Date: 16 July 2018

Ostro Energy Private Limited
Consolidated statement of changes in equity for the period ended 31 March 2018
(Amounts in INR million, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent					Non-Controlling Interests (NCI)	Total Equity
	Equity share capital	Equity component of compulsorily convertible debentures	Reserves and Surplus		Items of OCI		
			Share Premium	Retained Earnings	Hedging Reserve		
	Refer note 11	Refer note 12A	Refer note 12B	Refer note 12C	Refer note 12D	Refer note 12E	
At 1 April 2016	**3,546.67**	**441.43**	**-**	**(67.41)**	**-**	**0.68**	**3,921.37**
Profit for the year	-	-	-	125.31	-	-	125.31
Other comprehensive income (net of tax)	-	-	-	(0.11)	(36.42)	-	(36.53)
Total Comprehensive Income	**-**	**-**	**-**	**125.20**	**(36.42)**	**-**	**88.78**
Equity shares issued during the year	8,560.68	-	3,463.09	-	-	-	12,023.77
Compulsorily convertible debenture issued during the year	-	495.12	-	-	-	-	495.12
Compulsorily convertible debenture converted into equity shares during the year	-	(516.72)	-	-	-	-	(516.72)
Share issue expenses (net of tax)	-	-	(13.60)	-	-	-	(13.60)
Acquisition of non controlling interest during the year	-	-	-	-	-	(0.68)	(0.68)
At 31 March 2017	**12,107.35**	**419.83**	**3,449.49**	**57.79**	**(36.42)**	**-**	**15,998.04**
Loss for the year	-	-	-	(305.26)	-	-	(305.26)
Other comprehensive income (net of tax)	-	-	-	(2.45)	36.42	-	33.97
Total Comprehensive Income	**-**	**-**	**-**	**(307.71)**	**36.42**	**-**	**(271.29)**
Equity shares issued during the year	1,917.83	-	1,244.81	-	-	-	3,162.64
Share issue expenses (net of tax)	-	-	(13.60)	-	-	-	(13.60)
At 31 March 2018	**14,025.18**	**419.83**	**4,680.70**	**(249.92)**	**-**	**-**	**18,875.79**

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

For and on behalf of the Ostro Energy Private Limited

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurgaon
Date: 16 July 2018

Surendra Vinod
Director
DIN No- 7643036

Place: Gurugram
Date: 16 July 2018

Parmeshhwar Ravi
Director
DIN No- 5216282

Place: Gurugram
Date: 16 July 2018

Ankush Wadhawan
Company Secretary
M. No- A21384

Place: Gurugram
Date: 16 July 2018

1. General Information

Ostro Energy Private Limited (the "Parent" or "OEPL" or the "Company") is a private limited company domiciled in India. OEPL is incorporated under the provisions of the Companies Act, applicable in India and its registered office is located at Unit No. G-0, Ground Floor, Mira Corporate Suites, 1&2 Ishwar Industrial Estate, Mathura Road, New Delhi, 110065.

OEPL, its subsidiaries (hereinafter collectively referred to as the "Group") and entities under joint control are carrying out business activities relating to generation of electricity through non-conventional and renewable energy sources.

On 28th March 2018, ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited) ("RPL") acquired 100% equity in OEPL, which has with effect from that date became a subsidiary of RPL.

The Consolidated Financial Statements were authorised for issue by the Company's Board of Directors on 16 July 2018.

2. Basis of Preparation

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (lnd AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended .The Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention issued thereunder and other accounting principles generally accepted in India.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Derivative financial instruments
- Financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The significant accounting policies used in preparing the Consolidated Financial Statements are set out in Note 2.1 of these financial statements.

The Consolidated Financial Statements are presented in INR, which is the Group's functional and presentation currency and all values are rounded to nearest million except when otherwise stated.

For all years up to and including the year ended 31 March 2017, the Group prepared its consolidated financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These consolidated financial statements for the year ended 31 March 2018 are the first the Group has prepared in accordance with Ind AS. Refer note 43 for information on how the Group adopted Ind AS.

The Consolidated Financial Statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act, 2013.

The items in the Consolidated Financial Statements have been classified considering the principles under Ind AS 1, "Presentation of Financial Statements".

2.1 Principles of Consolidation

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 arrangement with the other vote holders of the investee
- Rights arising from the other contractual arrangements
- The Groups voting rights and other 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.

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.

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.
- Eliminate in full intragroup 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 fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 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.
A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- 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
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- 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.

2.2 Summary of Significant Accounting Policies

a) Business Combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. There are no business acquisitions within the group post the transition date.

b) 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.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The Group has identified twelve months as their operating cycle for classification of their current assets and liabilities.

c) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the 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 in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the 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.

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.

For assets and liabilities that are recognised in the 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.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

- Disclosures for significant estimates and assumptions (Refer Note 41)
- Quantitative disclosures of fair value measurement hierarchy (Refer Note 29)
- Financial instruments (including those carried at amortised cost (Refer Note 28)

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:-

Sale of Power

Income from supply of power is recognized on the supply of units generated from the plant to the grid, as per the terms of the PPA entered into with the state electricity board/ private customers.

Income from liquidated damages, compensation for loss of revenue and interest on advances

Income from liquidated damages, compensation for loss of revenue and interest on advance is recognised after certainty of receipt of the same is established.

Dividend
Dividend income is recognised when the right of the Group to receive dividend is established by the reporting date.

Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Income from government grants
Refer note (g) for accounting policy.

e) Foreign currencies
The Group Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the Parent operate.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

f) Income taxes
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, 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 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 recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

g) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant related to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the 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 and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

Generation based Incentive

Generation based incentive is recognized on the basis of supply of units generated by the 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"

h) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Property, plant and equipment (PPE) comprising of Freehold land, plant and equipment, leasehold improvements, furniture and fixtures, computers and office equipment were carried in the balance sheet at cost net of depreciation. Using the deemed cost exemption available as per Ind AS 101, the Group has elected to carry forward the carrying value of PPE under IGAAP as on 31st March 2016 as book value of such assets under Ind AS as at the transition date (1st April, 2016).

Capital work-in-progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Intangible assets

Under the previous GAAP (Indian GAAP), intangible assets were carried in the balance sheet at cost net of amortisation.

Using the deemed cost exemption available as per Ind AS 101, the Group has elected to carry forward the carrying value of PPE under previous GAAP as on 31 March 2016 as book value of such assets under Ind AS as at the transition date (1 April 2016).

Intangible assets acquired separately are measured in initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful life (3 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with finite life are reviewed at least at the end of each reporting period.

j) Depreciation of fixed assets

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Plant and equipment (wind and solar power projects)*	25
Plant and equipment (others)	5-18
Office equipment	5
Furniture and fixture	10
Computer	3
Leasehold improvements	over the period of the lease (3 years)

* Based on an external technical assessment, the management believes that the useful lives as given above and residual value of 0%-5%, best represents the period over which management expects to use its assets and its residual value. The useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

m) Leases

<u>As a leasee</u>

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

n) 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 period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.
Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

Goodwill is tested for impairment annually at year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

o) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for cash (cash-settled transactions).

Cash-settled transactions

The cost of cash-settled transactions is determined by the fair value at each reporting date using an appropriate valuation model.

The cost is recognized, together with a corresponding increase in liability for share based payment, over the period in which the performance and/or service conditions are fulfilled in employee benefit expenses. The cumulative expense recognized for cashsettled 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 liability that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefit expense.

Service and non-market performance conditions are not taken into account when determining the fair value of awards at each reporting date, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of instruments that will ultimately vest. Market performance conditions are reflected within the fair value on each reporting date. Any other condition attached to an award, but without associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met. Where awards include a market or non-market condition, the transaction are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service condition are satisfied.

p) 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 recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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 year-end carried out using the projected unit cost method.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognized in the net interest on the defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in 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 consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

q) 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 and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)
A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets,
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments
All other equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading. 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 recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the P&L.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- 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 companies under the Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the 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 on all the financial assets and credit risk exposure.

The Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L).

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement
The measurement of financial liabilities depends on their classification as discussed below:-

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

The 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.

A financial liability is derecognised when the obligation under the liability is discharged or 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.

Compound Instruments- Compulsory Convertible Debentures (CCDs)
Compulsory 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 profit or loss.

The present value of the liability part of the compulsory convertible debentures classified under financial liabilities and the equity component is calculated by subtracting the liability from the total proceeds of CCDs.

Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds. Transaction costs of equity and liability component are being accounted for as a reduction from equity and liability component respectively.

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.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the combined balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

s) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as forwards, to hedge its 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 remeasured 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 the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.
Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency loan is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged item affects the statement of profit and loss or treated as basis adjustment if a hedged item subsequently results in recognition of a non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

t) Cash and Cash-Equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they considered an integral part of the Group's cash management.

u) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Group measure EBITDA on the basis of profit/ (loss) from continuing operations. In their measurement, the companies include interest income but do not include depreciation and amortization expense, finance costs and tax expense.

v) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The Group does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

The Group makes disclosures in the financial statement in cases of significant events.

w) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the 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

x) Earnings per equity share

Basic 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 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 issue data later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

'The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share'

Ostro Energy Private Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2018
(Amounts in INR million, unless otherwise stated)

3 Property, plant and equipment

	Freehold Land *	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Plant and equipment	Total Property, plant and equipment	Capital work in progress
At 1 April 2016 (Deemed cost)	74.11	4.00	2.05	1.77	3.60	15,361.80	15,447.33	462.71
Additions during the year^	810.64	8.53	4.29	2.64	3.52	29,568.85	30,398.47	24,367.13
Capitalised during the year	-	-	-	-	-	-	-	(24,651.23)
Disposals during the year	-	-	-	-	-	(89.72)	(89.72)	-
At 31 March 2017	**884.75**	**12.53**	**6.34**	**4.41**	**7.12**	**44,840.93**	**45,756.08**	**178.61**
Additions during the year^	460.95	-	-	0.11	1.68	6,864.08	7,326.82	11,919.43
Capitalised during the year	-	-	-	-	-	-	-	(6,864.08)
Adjustments #	-	-	-	-	-	85.76	85.76	(2.37)
At 31 March 2018	**1,345.70**	**12.53**	**6.34**	**4.52**	**8.80**	**51,790.77**	**53,168.66**	**5,231.59**
Depreciation								
At 1 April 2016	-	-	-	-	-	-	-	-
Charge for the year (refer note 25)	-	2.39	0.36	0.64	1.93	807.64	812.96	-
Disposals during the year	-	-	-	-	-	(0.03)	(0.03)	-
At 31 March 2017	**-**	**2.39**	**0.36**	**0.64**	**1.93**	**807.61**	**812.93**	**-**
Charge for the year (refer note 25)		3.97	0.61	0.94	2.63	1,830.81	1,838.96	-
Disposals during the year	-	-	-	-	-	-	-	-
At 31 March 2018	**-**	**6.36**	**0.97**	**1.58**	**4.56**	**2,638.42**	**2,651.89**	**-**
Net book value								
At 1 April 2016	**74.11**	**4.00**	**2.05**	**1.77**	**3.60**	**15,361.80**	**15,447.33**	**462.71**
At 31 March 2017	**884.75**	**10.14**	**5.98**	**3.77**	**5.19**	**44,033.32**	**44,943.15**	**178.61**
At 31 March 2018	**1,345.70**	**6.17**	**5.37**	**2.94**	**4.24**	**49,152.35**	**50,516.77**	**5,231.59**

Mortgage and hypothecation on property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 50,522.59 (31 March 2017: INR 44,943.14, 1 April 2016: INR 15447.33) are subject to a pari passu first charge to respective lenders for project term loans as disclosed in Note 13 and 16 .

^ Capitalised borrowing costs
The amount of borrowing costs capitalised under the head 'Plant and equipment' during the year ended 31 March 2018 was INR 117.56 (31 March 2017 INR 186.15, 1 April 2016 151.25). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

* The title represented by sale deeds in respect of land amounting to INR 680.96 (31 March 2017 INR 493.65, 31 March 2016 INR Nil) is not yet in the name of the Group and the Group is in the process of getting title transferred in its name.

Adjustment of INR 85.76 during the year ended 31 March 2018 (31 March 2017 INR Nil) pertains to revision of agreements on full and final settlement with the vendors.

(Amounts in INR million, unless otherwise stated)

4 Intangible assets	**Computer software**	**Goodwill***
Cost		
At 1 April 2016 (Deemed cost)	1.90	225.52
Additions during the year	0.73	-
At 31 March 2017	**2.63**	**225.52**
Additions during the year	0.17	-
At 31 March 2018	**2.80**	**225.52**
Amortisation		
At 1 April 2016	-	**-**
Amortisation for the year (refer note 25)	1.08	**-**
At 31 March 2017	**1.08**	**-**
Amortisation for the year (refer note 25)	1.08	-
At 31 March 2018	**2.16**	**-**
Net book value		
At 1 April 2016	**1.90**	**225.52**
At 31 March 2017	**1.55**	**225.52**
At 31 March 2018	**0.64**	**225.52**

* The Group performed its annual impairment test for years ended 31 March 2018 and 31 March 2017 on the balance sheet dates respectively. The Group considers the relationship between its equity value and its book value, among other factors, when reviewing for indicators of impairment. As at 31 March 2018, the indicavtive value of the Group equity exceeds the book value of its equity, indicating no potential impairment of goodwill and assets. The value of equity is based on the price at which the shares have been sold during acquisition by ReNew Power Group on 28 March 2018. Refer note 42 for details of the acquisition.

(Amounts in INR million, unless otherwise stated)

5 Financial assets	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Non-current (unsecured, considered good unless stated otherwise)			
Investments in unquoted equity shares of entities under joint control at equity method (refer note 32)			
8,958,150 (31 March 2017: 8,958,150, 1 April 2016: Nil) equity shares of INR10 each fully paid-up in Prathamesh Solarfams Limited	248.32	204.49	-
2,285,850: 31 March 2017: Nil, 1 April 2016: Nil) equity shares of INR10 each fully paid-up Aalok Solarfarms Limited	24.80	-	-
4,571,700 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of INR10 each fully paid-up in Heramba Renewables Limited	45.11	-	-
2,285,850 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of INR10 each fully paid-up in Abha Solarfarms Limited	24.67	-	-
4,5717,00 (31 March 2017: Nil, 1 April 2016: Nil) equity shares of INR10 each fully paid-up in Shreyas Solarfarms Limited	47.58	-	-
	390.48	**204.49**	**-**
Investment in unquoted compulsorily convertible debentures of entities under joint control at fair value through profit and loss			
23,49,550 (31 March 2017: 2,349,550 , 1 April 2016: Nil) 10.70% unsecured compulsorily convertible debentures of INR100 each fully paid of Prathamesh	234.96	234.96	-
679,875 (31 March 2017: Nil, 1 April 2016: Nil) 10.70% unsecured compulsorily convertible debentures of INR100 each fully paid of Abha Solarfarms Limited	67.99	-	-
1,359,750 (31 March 2017: Nil, 1 April 2016: Nil) 10.70% unsecured compulsorily convertible debentures of INR100 each fully paid of Heramba Renewables Limited	135.98	-	-
679,875 (31 March 2017: Nil, 1 April 2016: Nil) 10.70% unsecured compulsorily convertible debentures of INR100 each fully paid of Aalok Solarfarms Limited	67.99	-	-
1,359,570 (31 March 2017: Nil, 1 April 2016: Nil) 10.70% unsecured compulsorily convertible debentures of INR100 each fully paid of Shreyas Solarfarms Limited	135.96	-	-
	642.88	**234.96**	**-**
Aggregate market value of quoted investment	1,033.36	439.45	-
Others			
Bank deposits with remaining maturity for more than twelve months (refer note 10)	80.05	176.69	0.91
Advance against purchase of shares	-	-	0.69
	80.05	**176.69**	**1.60**
Total	**1,113.41**	**616.14**	**1.60**

(Amounts in INR million, unless otherwise stated)

Current (unsecured, considered good unless stated otherwise)	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Investments in quoted mutual funds at fair value through profit or loss			
Investment in L&T ultra short term Fund - Growth - Direct plan - Nil units (31 March 2017: 94,558.868 units; 01 April 2016: Nilunits)	-	210.87	-
Investment in L & T Liquid Fund - Growth - Direct plan - 236,089.794 units (31 March 2017: 140,306.764 units; 01 April 2016: Nil units)	562.57	312.85	-
Investment in Tata ultra short term fund - Growth - Direct plan - Nilunits (31 March 2017: 93,041.988 units; 01 April 2016: Nil units)	-	230.71	-
Investment in Tata Money market fund - Growth - Direct plan - 81,736.416 units (31 March 2017: 144,210.167 units; 01 April 2016: Nilunits)	223.82	369.60	-
Investment in Reliance liquid fund - Growth - treasury plan - 92,941.46 units (31 March 2017: 68,684.42 units; 01 April 2016: Nil units)	394.07	272.53	-
Investment in Reliance money manager fund - Growth - direct plan - 23,896.102 units (31 March 2017: 175,838.434 units; 01 April 2016: Nilunits)	58.28	400.30	-
Investment in Reliance liquid fund - Growth - Cash plan - Nil units (31 March 2017: 15,408.393 units; 01 April 2016: 7,695.2 units)	-	40.47	28.43
Investment in ICICI Prudential liquid fund - Growth - Direct plan - 1,021,328.855 units (31 March 2017: 717,346.535 units; 01 April 2016: Nil units)	262.62	173.08	-
Investment in Birla Sun life Cash Manager fund - Growth - Direct plan - 378,315.673 units (31 March 2017: 549,936.148 units; 01 April 2016: 349,853 units)	108.24	442.74	84.77
Investment in Franklin India treasury fund - Growth - Direct plan - 115,600 units (31 March 2017: Nil units; 01 April 2016: Nil units)	300.27	-	-
Investment in UTI money market fund - Growth - Direct plan - 154,101 units (31 March 2017: Nil units; 01 April 2016: Nil units)	300.46	-	-
Investment in HDFC liquid fund - Growth - Direct plan - 91,283.127 units (31 March 2017: 52,607.751 units; 01 April 2016: Nil units)	312.02	168.79	-
Investment in Axis treasury advantage fund - Growth - Direct plan - 9,184.87 units (31 March 2017: 70,418.64 units; 01 April 2016: Nil units)	18.06	130.00	-
Investment in Axis liquid fund - Growth - Direct plan - 134,996.298 units (31 March 2017: 105,436.409 units; 01 April 2016: 25,058.11 units)	371.41	258.42	47.01
Investment in Kotak floater short term fund - Growth - Direct plan - 81,715.56 units (31 March 2017: Nil units; 01 April 2016: Nil units)	233.05	-	-
Investment in SBI Magnum instar cash fund - Growth - Direct plan - 78,193.67 units (31 March 2017: Nil units; 01 April 2016: Nil units)	300.51	-	-
Investment in LIC Liquid Fund - Growth - Direct plan - 84,024.765 units (31 March 2017: Nil units; 01 April 2016: Nil units)	264.81	-	-
Investment in IDFC Ultra Short Term Fund - Growth - Direct Plan - 4,278,820.117 units (31 March 2017: 29,461,464.077 units; 01 April 2016: 7,059,255.39 units)	106.10	681.94	150.48
Investment in IDFC Cash Fund - Growth - Direct Plan - 135,451.079 units (31 March 2017: 13,902.461 units; 01 April 2016: Nil units)	285.83	86.24	-
Investment in DSP ultra short term fund - direct plan - growth - Nil units (31 March 2017: 16,795,855 units; 01 April 2016: 7,310,449.256 units)	-	200.00	85.29
Investment in DSP Blackrock Liquidity fund- Direct Plan Growth - 93,354.656 units (31 March 2017: 43,427.448 units; 01 April 2016: 52,150.775 units)	232.02	101.00	115.80
	4,334.14	**4,079.54**	**511.78**
Aggregate market value of quoted investment	4,334.14	4,079.54	511.78

Investments at fair value through profit and loss reflect investments in quoted mutual funds. Refer note 28 for determination of their fair values.

Others (at amortised cost)			
Unbilled revenue	448.43	244.72	75.95
Government grants *			
- generation based incentive receivable	173.45	200.30	30.67
Interest accrued on deposits	12.70	12.30	0.57
Advance for purchase of mutual funds	-	100.00	-
	634.58	**557.32**	**107.19**
Total	**4,968.72**	**4,636.86**	**618.97**

*Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

(Amounts in INR million, unless otherwise stated)

6A Deferred tax assets (net)		**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Deferred tax relates to the following:				
Deferred tax related to items recognised in OCI:				
Deferred tax assets (gross)				
Re-measurement of losses on defined benefits plan		0.86	(0.03)	-
	(a)	**0.86**	**(0.03)**	**-**
Deferred tax related to items recognised in statement of profit and loss:				
Deferred tax liabilities (gross)				
Unamortized ancillary borrowing cost		65.90	75.79	28.02
Generation based incentive		5.67	20.10	17.77
Change in fair value of investments		8.94	10.44	0.12
Difference in written down value as per books of account and tax laws		264.63	202.07	-
Others		-	0.96	-
	(b)	**345.14**	**309.36**	**45.91**
Deferred tax assets (gross)				
Operation and maintenance equalisation		99.90	64.18	7.29
Unused tax credit (MAT)		137.26	50.70	-
Losses available for offsetting against future taxable income		421.19	597.38	198.61
Others		2.97	6.34	0.11
	(c)	**661.32**	**718.60**	**206.01**
	(d) = (c) - (b)	**316.18**	**409.24**	**160.10**
Deferred tax assets (net)	**(a)**	**317.04**	**409.21**	**160.10**

6B Deferred tax liabilities (net)

Deferred tax relates to the following:		**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Deferred tax related to items recognised equity:				
Deferred tax liabilities (gross)				
Compound Financial Instruments		-	-	233.62
	(a)	**-**	**-**	**233.62**
Deferred tax related to items recognised in statement of profit and loss:				
Deferred tax liabilities (gross)				
Difference in written down value as per books of account and tax laws		839.79	-	-
Unamortised ancillary borrowing cost		61.98	-	13.62
Change in fair value of investments		10.16	-	1.62
Generation based incentive		7.95	-	1.00
Others		-	-	0.68
	(b)	**919.88**	**-**	**16.92**
Deferred tax assets (gross)				
Operation and maintenance equalisation reserve		65.44	-	8.27
Unused tax credit (MAT)		55.09	-	-
Losses available for offsetting against future taxable income		695.26	-	22.08
Compound Financial Instruments		-	-	54.16
Others		-	-	2.24
	(c)	**815.79**	**-**	**86.75**
	(d) = (c) - (b)	**104.09**	**-**	**(69.83)**
Deferred tax liabilities (net)	**(a)**	**104.09**	**-**	**163.79**

(Amounts in INR million, unless otherwise stated)

a) At India's applicable statutory income tax rate i.e. Minimum Alternate Tax / Corporate Income Tax plus applicable Surcharge rate (7% to 12 %) and Cess (3%) for 31 March 2018 and 31 March 2017:

	31 March 2018	31 March 2017
Accounting profit before income tax	**29.44**	**(214.23)**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (25%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	152.60	56.66
Deferred tax expense reported in the statement of profit and loss*	197.12	(397.16)
At the effective income tax rate	**349.73**	**(340.51)**
Current tax expense reported in the statement of profit and loss	152.60	56.66
Deferred tax expense reported in the statement of profit and loss	197.12	(397.16)
	349.73	**(340.51)**
*** Where deferred tax expense relates to the following :**		
Difference in written down value as per books of account and tax laws	(902.34)	(202.07)
Operation and maintenance equalisation	101.16	48.61
Compound Financial Instruments	-	163.71
Unused tax credit (MAT)	141.65	50.70
Losses available for offsetting against future taxable income	519.07	376.69
Unamortized ancillary borrowing cost	(52.10)	(34.15)
Change in fair value of investments	(8.66)	(8.70)
Re-measurement of losses on defined benefits plan	0.89	(0.03)
Others	3.21	2.40
	(197.12)	**397.16**

Reconciliation of deferred tax assets / (liabilities) (net):

	31 March 2018	31 March 2017
Opening balance of DTA/DTL (net) on	**409.21**	**(3.69)**
Deferred tax income/(expense) during the period recognised in profit or loss	(197.12)	397.16
Deferred tax income/(expense) during the period recognised in OCI	0.86	(0.03)
Deferred tax on early conversion of compound financial instruments (netted through equity)	-	15.75
Closing balance of DTA/DTL (net)	**212.95**	**409.21**

The Group have tax losses and unabsorbed depreciation which arose in India of INR 2,473 (31 March 2017: INR 1,883; 1 April 2016: INR 647). The unabsorbed depreciation can be carried forward indefinitely as per the Income Tax Act.

The Company has recognised deferred tax asset of INR 1,116 (31 March 2017: INR 597; 1 April 2016: INR 221) on unabsorbed depreciation, utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power

The expiry period for the Minimum alternate tax recoverable as on 31 March 2018 is 14 years (INR 50.71) and 15 years (INR 90.95) (31 March 2017: 15 years (INR 50.71); 1 April 2016: Not applicable)

(Amounts in INR million, unless otherwise stated)

7 Prepayments

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current (unsecured, considered good unless otherwise stated)			
Prepaid expenses	695.71	699.24	172.38
Prepaid gratuity (net of provision for gratuity)	-	2.59	-
Total	**695.71**	**701.83**	**172.38**
Current (unsecured, considered good unless otherwise stated)			
Prepaid expenses	204.36	106.88	132.34
	204.36	**106.88**	**132.34**

8 Other assets

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current (unsecured, considered good unless otherwise stated)			
Capital advance	1,113.06	908.69	4,247.25
Security deposit	4.94	4.06	0.10
Advance income tax (net of income tax provisions)	125.45	38.26	1.50
Others	0.02	0.02	1.89
Total	**1,243.47**	**951.03**	**4,250.74**
Current (Unsecured, considered good unless otherwise stated)			
Employee advances	-	-	0.71
Advances to entities under joint control (refer note 33)	18.30	1.33	-
Advances recoverable	16.59	55.77	1.22
Advance income tax (net of income tax provisions)	2.54	0.13	0.01
Security deposits	-	0.34	0.31
Others	1.89	0.13	0.44
Total	**39.32**	**57.70**	**2.69**

9 Trade receivables

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good unless stated otherwise	960.15	553.90	300.70
Total	**960.15**	**553.90**	**300.70**

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of not more than 30 to 60 days.

10 Cash and cash equivalents

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash and cash equivalents			
Cash on hand	0.16	0.05	0.13
Balance with bank			
- On current accounts	1,656.22	1,946.66	764.55
- Deposits with original maturity of less than 3 months *#	2,426.36	691.72	480.24
Total	**4,082.74**	**2,638.43**	**1,244.92**
Bank balances other than cash and cash equivalents			
Deposits with			
- Remaining maturity for less than twelve months*#	969.95	183.03	-
- Remaining maturity for more than twelve months*#	80.05	176.69	0.91
	1,050.00	**359.72**	**0.91**
Less: amount disclosed under non-current financial assets (others) (Note 5)	(80.05)	(176.69)	(0.91)
Total	**969.95**	**183.03**	**-**

* Short term deposits are made for varying periods of between 7 to 120 months, depending on the immediate cash requirements of the Company, and earn interest at rate of 3.50 % to 7.50 % the respective short-term deposit rates

Fixed deposits of INR 1,312.62 (31 March 2017: INR 286.43; 01 April 2016: Nil) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and with Tata Power Trading Company Limited (Qualified co-ordinating agency) as a security towards variance arising from scheduled forecasting of power.

(Amounts in INR million, unless otherwise stated)

11 Share capital

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2016	1,994,000,000	19,940.00
At 31 March 2017	1,994,000,000	19,940.00
At 31 March 2018	**1,994,000,000**	**19,940.00**

Issued share capital	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid up		
At 1 April 2016	354,666,999	3,546.67
Shares issued during the year *	1,043,568,125	8,560.68
At 31 March 2017	1,398,235,124	12,107.35
Shares issued during the year **	4,282,734	1,917.83
At 31 March 2018	**1,402,517,858**	**14,025.18**

* includes 250,000,000 shares of INR 10 each against which INR 2.5 per equity share is paid up
** includes INR. 1,875 for equity share issued during the previous year ended 31 March 2017, against full and final call of INR 7.5 per share.

	Fully paid up shares		Partly paid up shares	
	Number of shares	Amount	Number of shares	Amount
At 1 April 2016	354,666,999	3,546.67	-	-
At 31 March 2017	1,148,235,124	11,482.35	250,000,000	625.00
At 31 March 2018	1,402,517,858	14,025.18	-	-

Terms/rights attached to equity shares
The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the company will declare and pay dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

11A Shares held by the holding company and/or their subsidiaries/associates

	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Ostro Renewable Power Limited "the holding company" along with its nominees (till 28 March 2018)	-	-	1,398,235,124	13,982.35	354,666,999	3,546.67
ReNew Power Services Limited " the holding company" along with its nominees (with effect from 28 March 2018)	1,402,517,858	14,025.18	-	-	-	-

(Amounts in INR million, unless otherwise stated)

11B Details of shareholders holding more than 5% shares in the Company

	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Ostro Renewable Power Limited "the holding company" along with its nominees (till 28 March 2018)	-	-	1,398,235,124	100.00%	354,666,999	100%
ReNew Power Services Limited " the holding company" along with its nominees (with effect from 28 March 2018)	1,402,517,858	100.00%	-	-	-	-

As per the records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

11C 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.

12 Other equity

12A Equity Component of compulsorily convertible debentures

At 1 April 2016	441.43
Change due to early conversion of compulsorily convertible debenture	(21.60)
At 31 March 2017	**419.83**
At 31 March 2018	**419.83**

12B Share premium

At 1 April 2016	-
Premium on issue of equity shares during the year	3,449.49
At 31 March 2017	**3,449.49**
Premium on issue of equity shares during the year	1,231.21
At 31 March 2018	**4,680.70**

12C Retained earnings

At 1 April 2016	(67.41)
Profit for the year	125.31
Remeasurement gains / (losses) on defined benefit obligation	(0.11)
At 31 March 2017	**57.79**
Profit for the year	(305.26)
Remeasurement gains / (losses) on defined benefit obligation	(2.45)
At 31 March 2018	**(249.92)**

(Amounts in INR million, unless otherwise stated)

12D Hedging reserve

At 1 April 2016	-
Addition during the year	(36.42)
At 31 March 2017	**(36.42)**
Addition during the year	36.42
At 31 March 2018	-

12E Non controlling interest

At 1 April 2016	0.68
Minority interest for the year	(0.68)
At 31 March 2017	-
At 31 March 2018	-

(Amounts in INR million, unless otherwise stated)

13 Long-term borrowings

	Effective interest rate	Maturity	Non-current As at 31 March 2018	Non-current As at 31 March 2017	Non-current As at 01 April 2016	Current As at 31 March 2018	Current As at 31 March 2017	Current As at 01 April 2016
Debentures (Unsecured)								
Liability component of compulsorily convertible debenture			-	-	2,802.60	-	-	-
Term loan in Indian rupees (secured)								
From Banks	10.88%	December 2030	1,831.63	1,927.61	1,450.00	95.98	71.99	-
From financial institutions	10.00% - 11.51 %	September 2030 - September 2037	42,339.71	30,257.80	7,157.84	1,321.32	446.87	79.69
Total long-term borrowings			**44,171.34**	**32,185.41**	**11,410.44**	**1,417.30**	**518.86**	**79.69**
Amount disclosed under the head 'Other current financial liabilities' (refer note 18)			-	-	-	(1,417.30)	(518.86)	(79.69)
			44,171.34	**32,185.41**	**11,410.44**	**-**	**-**	**-**

Details of security provided in respect of the term loans from financial institutions:
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.

Details of terms of repayment and security provided in respect of the term loans from banks

Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective company

Terms of issue, redemption and security of compulsory convertible debentures

Compulsorily convertible debenture (CCD) are compulsorily convertible into a variable number equity shares based on the equity share price on the date of conversion. The CCD carry an interest rate of 10.70% to 14.00% per annum. The CCD are for a term of 10 years including an interest moratorium period for first 1.50 to 2.50 years. CCD do not carry any voting rights. These have have been fully converted into equity shares during March 2017.

(Amounts in INR million, unless otherwise stated)

14 Long term provisions	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Provision for gratuity (net of plan assets)	0.03	-	0.27
	0.03	**-**	**0.27**

15 Other non-current liabilities	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Provision for operation and maintenance equalization	734.54	249.37	39.37
Total	**734.54**	**249.37**	**39.37**

16 Short term borrowings	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Loan from holding company (unsecured) *	1,450.95	-	-
Acceptances **	479.66	-	1.93
Total	**1,930.61**	**-**	**1.93**

* Unsecured loan from holding company is repayable on demand and carries an interest rate of 8% per annum.

** Acceptances from Aditya Birla finance Limited and Power Finance Corporation, 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.

17 Trade payables	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Current			
Outstanding dues to micro and small enterprises (refer note 38)	-	-	-
Others	66.04	107.66	58.39
Total	**66.04**	**107.66**	**58.39**

18 Other financial liabilities	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Non-Current			
Financial liabilities at fair value through profit and loss			
Cash settled share based payment*	-	33.71	15.86
	-	**33.71**	**15.86**
Current			
Financial liabilities at amortised cost			
Current maturities of long term borrowings (refer note 13)	1,417.30	518.86	79.69
Debentures application money pending allotment	-	-	995.00
Share application money pending allotment	-	-	1,341.80
Interest accrued but not due on long term borrowings	192.86	73.41	16.46
Interest accrued but not due on loan from holding company	1.15	-	-
Capital creditors	2,703.46	6,926.38	4,906.28
Total	**4,314.77**	**7,518.65**	**7,339.23**

* The Cash settled share based payment pertain to 0.001% Redeemable Convertible Preference Shares of INR 10 each, issued to employees of the Company having the following terms:
- redeemable in case of exit/liquidation event implemented through a transfer of securities of the Company, a Company IPO or any other liquidation event;
- redemption or conversion in case the shares are outstanding on the date falling 10 years from the date of issuance of such shares;

The shares are redeemable or convertible as per a formula based on the fair value of the equity shares of the Company as on date of redemption or conversion. The management based on the service conditions of the instrument have assessed it to a cash settled share based payment to the employees of the Company.

There were Nil 0.001% Redeemable Convertible Preference Shares outstanding as on 31 March 2018 (31 March 2017: 284,000; 1 April 2016: 145,000). The 0.001% Redeemable Convertible Preference Shares have been fully redeemed on 28 March 2018.

19 Other current liabilities	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Provision for operation and maintenance equalization	8.83	6.97	-
Statutory dues	239.79	100.45	66.95
Provision for dividend	-	0.00	0.00
Provision for tax on proposed preference dividend	-	0.00	0.00
Total	**248.62**	**107.42**	**66.95**

20 Short term provisions	**As at 31 March 2018**	**As at 31 March 2017**	**As at 1 April 2016**
Provision for gratuity (net of plan asset)	5.01	-	0.00
Provision for leave encashment	6.46	3.49	1.40
Provision for tax (net of advance tax)	112.09	0.09	2.90
Total	**123.56**	**3.58**	**4.30**

(Amounts in INR million, unless otherwise stated)

21 Revenue from operations	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Income from operations		
Sale of power	6,249.61	2,650.68
Sale of services - management shared services	108.60	-
Total	**6,358.21**	**2,650.68**

22 Other income	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Interest income		
- on fixed deposit with banks	73.28	24.95
- Interest income on delayed payments	9.32	35.79
- others	0.04	0.03
Compensation for loss of revenue	-	201.33
Government grant		
- generation based incentive	613.71	234.04
Fair value gain on mutual funds	225.47	92.14
Miscellaneous income	0.98	3.20
Total	**922.80**	**591.48**

23 Employee benefits expense	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Salaries, wages and bonus	501.61	28.73
Share based payment (refer note 18)	98.79	3.95
Gratuity expense	2.56	0.26
Contribution to provident and other funds	1.44	0.52
Staff Welfare Expenses	1.55	1.03
Total	**605.95**	**34.49**

24 Other expenses	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Operation and maintenance expenses	523.26	224.55
Legal and professional fees	63.97	34.24
Communication cost	1.30	0.49
Rent	36.74	9.11
Insurance expenses	26.22	11.35
Printing and Stationary	0.20	0.19
Rates and taxes	79.03	67.46
CSR expense	12.51	3.45
Repair and maintenance:		
- Building	1.69	0.57
- Plant and machinery	0.25	
- Others	1.17	1.15
Travelling and conveyance	11.13	11.92
Bidding expenses	-	0.26
Auditor's remuneration	9.39	6.29
Capital work in progress written off	2.37	-
Miscellaneous expenses	5.32	2.19
Total	**774.55**	**373.22**

Auditor's remuneration	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
As auditor:		
- Audit fee	6.54	5.43
- Limited review	2.29	-
- Tax Audit fee	-	0.46
- Other services	-	0.17
- Reimbursement of expenses	0.56	0.23
	9.39	6.29

(Amounts in INR million, unless otherwise stated)

25 Depreciation expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment (refer note 3)	1,838.96	812.96
Amortisation of intangible assets (refer note 4)	1.08	1.08
Total	**1,840.04**	**814.04**

26 Finance costs

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense on		
- term loans	3,923.50	1,763.99
- loan from holding company	1.27	-
- debentures	-	396.57
- overdraft	0.62	0.24
- others	2.83	0.21
Bank charges	102.81	73.63
Total	**4,031.03**	**2,234.64**

27 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit / (Loss) attributable to equity holders for basic earnings	(305.26)	125.31
Interest on compulsorily convertible debentures	-	396.57
	(305.26)	521.89
Net profit / (loss) for calculation of basic EPS	(305.26)	125.31
Weighted average number of equity shares for calculating basic EPS	1,326,107,401	514,292,076
Basic earnings/(loss) per share	(0.23)	0.24
Net profit / (loss) for calculation of diluted EPS	(305.26)	125.31
Weighted average number of equity shares for calculating diluted EPS *	1,326,107,401	514,292,076
Diluted earnings/(loss) per share	(0.23)	0.24

	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	1,326,107,401	514,292,076
Effect of dilution		
Convertible equity for compulsorily convertible debentures (CCD)	-	444,428,998
Weighted average number of equity shares in calculating diluted EPS	**1,326,107,401**	**958,721,074**

*Since the effect of conversion of compulsorily convertible debentures is anti-dilutive in 31 March 2017, the same has not been considered for the purpose of computing diluted EPS

(Amounts in INR million, unless otherwise stated)

28 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the company, other than those with carrying amounts that are reasonable approximations of fair values:

	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial Assets						
Investments	4,977.01	4,977.01	4,314.50	4,314.50	511.78	511.78
Trade receivables	960.15	960.15	553.90	553.90	300.70	300.70
Cash and cash equivalent	4,082.74	4,082.74	2,638.43	2,638.43	1,244.92	1,244.92
Bank balances other than cash and cash equivalent	969.95	969.95	183.03	183.03	-	-
Others current financial assets	634.58	634.58	557.32	557.32	107.19	107.19
Other non current financial asseets	80.05	80.05	176.69	176.69	1.60	1.60
Financial liabilities						
Term loans	44,171.34	44,171.34	32,185.41	32,185.41	8,607.84	8,607.84
Compulsorily convertible debentures	-	-	-	-	2,802.60	2,802.60
Short-term borrowings	1,930.61	1,930.61	-	-	1.93	1.93
Trade payables	66.04	66.04	107.66	107.66	58.39	58.39
Others	4,314.77	4,314.77	7,552.36	7,552.36	7,355.09	7,355.09

The management of company assessed that cash and cash equivalents, trade receivables, trade payables, short term borrowings, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

i The fair value of the mutual fund are based on price quotations at the reporting date.

ii The fair values of the company's term loans from banks and financial institutions including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.

29 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the assets and liabilities of the company :-
The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:
i) Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
ii) Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
iii) Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Quantitative disclosures fair value measurement hierarchy for assets/liabilities at the year end:

Particulars	Level of fair value measurement	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at fair value through profit or loss							
Investments	Level 1	4,334.14	4,334.14	4,079.54	4,079.54	511.78	511.78

(Amounts in INR million, unless otherwise stated)

Particulars	Level of fair value measurement	As at 31 March 2018		As at 31 March 2017		As at 01 April 2016	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost							
Financial Assets (current) : Others							
Investments	Level 2	642.88	642.88	234.96	234.96	-	-
Unbilled revenue	Level 2	448.43	448.43	244.72	244.72	75.95	75.95
Bank deposits with remaining maturity for more than twelve months	Level 2	80.05	80.05	176.69	176.69	0.91	0.91
Advance against purchase of shares	Level 2	-	-	-	-	0.69	0.69
Advance for purchase of mutual funds	Level 2	-	-	100.00	100.00	-	-
Interest accrued on deposit	Level 2	12.70	12.70	12.30	12.30	**0.57**	**0.57**
Total		**1,184.05**	**1,184.05**	**768.67**	**768.67**	**78.12**	**78.12**
Trade receiviables	Level 2	959.96	959.96	553.90	553.90	300.70	300.70
Cash and bank balances							
Cash and cash equivalent	Level 2	4,082.74	4,082.74	2,638.43	2,638.43	1,244.92	1,244.92
Bank balances other than cash and cash equivalents	Level 2	969.95	969.95	183.03	183.03	-	-
Total		**5,052.70**	**5,052.70**	**2,821.45**	**2,821.45**	**1,244.92**	**1,244.92**
Financial liabilities measured at amortised cost							
Long-term borrowings							
Compulsorily convertible debentures	Level 2	-	-	-	-	2,802.60	2,802.60
Term loan in Indian rupees from banks	Level 2	1,831.63	1,831.63	1,927.61	1,927.61	1,450.00	1,450.00
Term loan in Indian rupees from financial institution	Level 2	42,339.71	42,339.71	30,257.80	30,257.80	7,157.84	7,157.84
Total		**44,171.36**	**44,171.36**	**32,185.42**	**32,185.42**	**11,410.45**	**11,410.45**
Short-term borrowings	Level 2	1,930.61	1,930.61	-	-	1.93	1.93
Trade payables	Level 2	66.04	66.04	107.66	107.66	58.39	58.39
Financial liabilities measured at fair value through profit and loss							
Financial liablities (non-current): others							
Cash settled share based payment	Level 2	-	-	33.71	33.71	15.86	15.86
Financial liabilities measured at amortised cost							
Financial liablities (current): others							
Current maturities of long term borrowings	Level 2	1,417.30	1,417.30	518.86	518.86	79.69	79.69
Debentures application money pending allotment	Level 2	-	-	-	-	995.00	995.00
Share application money pending allotment	Level 2	-	-	-	-	1,341.80	1,341.80
Interest accrued but not due on borrowings	Level 2	192.86	192.86	73.41	73.41	16.46	16.46
Interest on loan from holding company	Level 2	1.15	1.15	-	-	-	-
Capital creditors	Level 2	2,703.46	2,703.46	6,926.38	6,926.38	4,906.28	4,906.28
Total		**4,314.76**	**4,314.76**	**7,518.66**	**7,518.66**	**7,339.23**	**7,339.23**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets measured at fair value through profit or loss			
Investments	Level 1	Market price	Quoted prices in active markets
Financial assets measured at amortised cost			
Cash and cash equivalent	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Bank balances other than cash and cash equivalents	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Security deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Loan to related parties	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Investments	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Unbilled revenue	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
Advance against purchase of shares	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued on loans	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued on fixed deposits	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Advance for purchase of mutual funds	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued on deposit	Level 2	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
Financial liabilities measured at fair value through profit and loss			
Cash settled share based payment	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Financial liabilities measured at amortised cost			
Term loans	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Compulsorily convertible debenture	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Short term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Trade payables	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Current maturities of long term borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Provision for dividend	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Provision for tax on proposed preference dividend	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued but not due on borrowings	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued but not due on debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest on loan from holding company	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Capital creditors	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows

(Amounts in INR million, unless otherwise stated)

30 Gratuity and other post-employment benefit plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The 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 summarize the components of net benefit expense recognized in the statement of profit and loss, the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of profit and loss

Net employees benefit expense recognised in employee cost	**31 March 2018**	**31 March 2017**	**1 April 2016**
Current service cost	4.52	1.74	1.08
Interest cost on benefit obligation	0.26	0.10	0.01
Net benefit expense*	**4.78**	**1.84**	**1.09**

* This amount is inclusive of amount capitalised in different projects.

	31 March 2018	**31 March 2017**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	3.31	1.38
Current service cost	4.52	1.73
Interest cost	0.26	0.10
Actuarial (gains) / losses on obligation	3.22	0.10
Remeasurements during the period due to:		
- Experience adjustments	*(1.40)*	*0.77*
- Change in financial assumptions	*2.66*	*(0.03)*
- Change in demographic assumptions	*1.96*	*(0.64)*
Closing defined benefit obligation	**11.31**	**3.31**

	31 March 2018	**31 March 2017**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning	5.91	3.34
Expected return on plan assets	0.44	0.25
Employer Contribution	-	2.30
Actuarial (gains) / losses on Assets	(0.09)	0.02
Fair value of plan assets at the end	**6.26**	**5.90**

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.

The principal assumptions used in determining gratuity obligations	**31 March 2018**	**31 March 2017**	**01 April 2016**
Discount rate	7.75%	7.05%	8.00%
Salary Escalation	10.00%	5.50%	6.50%
Rate of mortality as per table	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table

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:

Particulars	**Change in assumptions**	**31 March 2018**	**31 March 2017**	**01 April 2016**
Discount rate	+ 1%	(1.30)	(0.29)	(0.15)
	- 1%	1.46	0.33	0.14
Salary escalation	+ 1%	1.42	0.33	0.15
	- 1%	(1.29)	(0.29)	(0.16)

Gratuity amounts for current year and previous years	**31 March 2018**	**31 March 2017**	**31 March 2016**	**31 March 2015**
Defined benefit obligation	5.04	(2.60)	(1.96)	(0.15)
Surplus/(Deficit)	(5.04)	2.60	1.96	0.15
Experience adjustment on plan (gain)/loss	(1.40)	0.77	-	-

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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	**31 March 2018**	**31 March 2017**
Within next 12 months	0.03	0.02
Between 2 and 5 years	3.60	1.11
Between 5 and 10 years	16.38	14.66

The weighted average duration to the payment of these cash flows is 10.30 years (31 March 2017: 12.39 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:

· 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.

· Longevity risk/life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

· Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

- Interest risk: A decrease in the interest rate on plan assets will increase the plan liability.

Defined contribution plan:	**31 March 2018**	**31 March 2017**
Contribution to provident fund & other fund charged to statement of profit & loss*	2.31	1.58

*This amount is inclusive of amount capitalized in different projects.

(Amounts in INR million, unless otherwise stated)

31 The Group, in addition to the Parent Company, comprises of the following entities incorporated in India:

Subsidiaries under direct control:

S No	Name of Companies	Date of Incorporation	31 March 2018	31 March 2017	1 April 2016
1	Ostro Renewables Private Limited	25 April 2008	100%	100%	100%
2.	Ostro Jaislmer Private Limited	02 March 2013	100%	100%	100%
3.	Ostro Anantapur Private Limited	12 December 2014	100%	100%	100%
4.	Ostro Madhya Wind Private Limited	26 December 2014	100%	100%	100%
5.	Ostro Rann Wind Private Limited	14 January 2014	100%	100%	100%
6.	Ostro Andhra Wind Private Limited	24 December 2014	100%	100%	100%
7.	Ostro Urja Wind Private Limited	12 December 2014	100%	100%	100%
8.	Ostro Alpha Wind Private Limited	30 June 2015	100%	100%	100%
9.	Ostro Raj Wind Private Limited	24 December 2014	100%	100%	100%
10.	Ostro Mahawind Private Limited	28 November 2015	100%	100%	100%
11.	Ostro Bhesada Wind Private Limited	05 March 2015	100%	100%	100%
12.	Ostro Dakshin Wind Private Limited	28 November 2015	100%	100%	100%
13.	Ostro Dhar Wind Private Limited	05 March 2015	100%	100%	100%
14.	Ostro AP Wind Private Limited	01 July 2015	100%	100%	100%
15.	AVP Powerinfra Private Limited	22 January 2014	100%	100%	100%
16.	Badoni Power Private Limited	22 August 2014	100%	100%	100%
17.	Ostro Kannada Wind Private Limited	18 February 2016	100%	100%	0%
18.	Ostro Kutch Wind Private Limited	25 June 2015	100%	100%	100%

Entities under joint control

S No	Name of Companies	Date of Incorporation	31 March 2018	31 March 2017	1 April 2016
1.	Prathmesh Solarfarms Limited	27 March 2015	49%	49%	0%
2.	Abha Solarfarms Limited	16 March 2015	49%	0%	0%
3.	Aalok Solarfarms Limited	27 March 2015	49%	0%	0%
4.	Heramba Renewables Limited	03 July 2015	49%	0%	0%
5.	Shreyas Solarfarms Limited	27 March 2015	49%	0%	0%

32 Break up of investments in entities under joint control is as follows:

S No	Name of Companies	Cost of acquisition	Goodwill included in cost of acquisition	Share in profits and other comprehensive income of entities with joint control post acquisition	Carrying cost of investments
1	Prathmesh Solarfarms Limited				
	As at 31 March 2018	241,870,050	76,352,174	6,449,459	248,319,509
	As at 31 March 2017	*241,870,050*	*76,352,174*	*(37,378,972)*	*204,491,078*
	As at 1 April 2016	-	-	-	-
2.	Abha Solarfarms Limited				
	As at 31 March 2018	22,858,500	4,609,914	1,943,848	24,802,348
	As at 31 March 2017	-	-	-	-
	As at 1 April 2016	-	-	-	-
3.	Heramba Renewables Limited				
	As at 31 March 2018	45,717,000	4,611,096	(606,178)	45,110,822
	As at 31 March 2017	-	-	-	-
	As at 1 April 2016	-	-	-	-
4.	Aalok Solarfarms Limited				
	As at 31 March 2018	22,858,500	2,433,100	1,816,251	24,674,751
	As at 31 March 2017	-	-	-	-
	As at 1 April 2016	-	-	-	-
5.	Shreyas Solarfarms Limited				
	As at 31 March 2018	45,717,000	9,296,555	1,863,888	47,580,888
	As at 31 March 2017	-	-	-	-
	As at 1 April 2016	-	-	-	-

Ostro Energy Private Limited
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33. Related Party Disclosures
The names of related parties where control exists and/or with whom transactions have taken place during the period and description of relationship as identified by the management are:

a. Names of related parties and related party relationship

Ultimate holding company	ReNew Power Limited (formerly known as ReNew Power Private Limited and ReNew Power Ventures Private Limited) (with effect from March 28 2018)
Holding company	ReNew Power Services Private Limited (with effect from March 28 2018)
	Ostro Renewable Power Limited (Mauritius) (till March 28 2018)
Joint venture companies	Prathamesh Solarfarms Limited
	Heramba Renewables Limited
	Aalok Solarfarms Limited
	Shreyas Solarfarms Limited
	Abha Solarfarms Limited
Key Management personnel	Mr. Sumant Sinha, Chairman and Managing director of Renew Power Limited (with effect from 28 March 2018)
	Mr. Ravi Seth, Chief financial officer of ReNew Power Limited (with effect from 28 March 2018)
	Mr. Parag Sharma, Chief Operating Officer and Head of Solar Business of ReNew Power Limited (with effect from 28 March 2018)
	Mr. Balram Mehta, President of Wind Business of ReNew Power Limited (with effect from 28 March 2018)
	Mr. Ravi Pramweshar, Chief Human Resource Officer of ReNew Power Limited (with effect from 28 March 2018)
	Mr. Ashish Jain, Company Secreatry and Compliance Officer of ReNew Power Limited (with effect from 28 March 2018)
	Mr. Ranjit Gupta, Chief Executive Officer (till 28 March 2018)
	Mr. Murali Subramanian, Chief Operatung Officer (till 28 March 2018)
	Mr. Rajat Gupta, Chief Financial Officer (till 28 March 2018)
	Mr. Ankush Wadhwan, Company Secretary (with effect from 1 April 2018)
	Mr. Amit Dhamija, Company Secretary (till 31 March 2018)

b. Transactions during the period with related parties

Related parties	Share capital issued (including share premium)		Compulsory Convertible Debentures issued		Compulsory Convertible Debentures Converted into Equity shares during the year (including security	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Ostro Renewable Power Limited (Mauritius)	3,000.00	4,699.00	-	3,990.00	-	7,311.17
Renew Power Services Private Limited	149.04	-	-	-	-	-

Related parties	Unsecured loan taken		Interest on Unsecured loan	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Renew Power Services Private Limited	1,450.96	-	1.27	-

Related parties	Investment in equity shares		Investment in compulsory convertible debentures	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Prathamesh Solarfarms Ltd	-	241.87	-	234.96
Aalok Solarfarms Limited	22.86	-	67.99	-
Abha Solarfarms Limited	22.86	-	67.99	-
Heramba Renewables Limited	45.72	-	135.98	-
Shreyas Solarfarms Limited	45.72	-	135.96	-

Ostro Energy Private Limited
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(Amounts in INR million, unless otherwise stated)

Related parties	Income from management fees		Corporate guarantee issued to project lender(s)	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Prathamesh Solarfarms Ltd	78.05	-	385.00	-
Aalok Solarfarms Limited	5.09	-	74.00	-
Abha Solarfarms Limited	5.10	-	74.00	-
Heramba Renewables Limited	10.21	-	148.00	-
Shreyas Solarfarms Limited	10.15	-	148.00	-

Related parties	Remuneration to key managerial personnel		Share based payment		Gratuity expenses	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Mr. Ranjit Gupta	70.61	27.09	41.93	2.25	1.87	0.67
Mr. Murali Subramanian	71.67	27.32	42.49	1.70	1.44	0.41
Mr. Rajat Gupta	33.75	21.34	7.69	-	1.25	0.36
Mr. Amit Dhamija	7.86	-	-	-	0.08	-
Mr. Rahul Kant Mishra	-	1.83	-	-	-	0.03

c. Details of outstanding balances with related parties:

Related parties	Trade receivables			Corporate guarantee outstanding to project lenders		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Prathamesh Solarfarms Ltd	3.17	-	-	385.00	-	-
Aalok Solarfarms Limited	0.32	-	-	74.00	-	-
Abha Solarfarms Limited	0.31	-	-	74.00	-	-
Heramba Renewables Limited	0.65	-	-	148.00	-	-
Shreyas Solarfarms Limited	0.64	-	-	148.00	-	-

Related parties	Advances given			Bank guarantee issued to project lender(s)		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Prathamesh Solarfarms Limited	7.26	1.33	-	192.50	192.50	-
Abha Solarfarms Limited	2.75	-	-	-	-	-
Aalok Solarfarms Limited	2.75	-	-	-	-	-
Heramba Renewables Limited	2.79	-	-	-	-	-
Shreyas Solarfarms Limited	2.75	-	-	-	-	-

Related parties	Unsecured loan payable			Interest accrued on unsecured loan		
	31 March 2018	March 31, 2017	01 April 2016	31 March 2018	March 31, 2017	01 April 2016
Renew Power Services Private Limited	1,450.96	-	-	1.14	-	-

(Amounts in INR million, unless otherwise stated)

34 Financial Risk Management objectives and policies

The Company's financial liabilities comprise loans and borrowings, trade payables and other financial liabilities.
The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, Investments, trade receivables, cash and cash equivalents and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a various sub committees that advises on financial risks and the appropriate financial risk governance framework for the Company. These committees provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

Market Risk

Market risk is the risk that the Company's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018, 31 March 2017 and 1 April 2016. 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 2018, 31 March 2017 and 1 April 2016.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. The Company also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. floating interest rate of borrowings in INR. With all other variables held constant, the Company's profit before tax is affected through the impact on loans and borrowings, as follows:

	31 March 2018		**31 March 2017**	
	Increase / decrease in basis points	Effect on profit before tax	Increase / decrease in basis points	Effect on profit before tax
INR	+/(-)50.00	(-)/+ 179.46	+/(-)50.00	(-)/+ 71.29
	Increase / decrease in basis points	Effect on equity	Increase / decrease in basis points	Effect on equity
INR	+/(-)50.00	(-)/+ 131.69	+/(-)50.00	(-)/+ 49.35

At 31 March 2018, , approximately 100% of the Group's borrowings from banks and financial institutions are at a floating rate of interest (31 March 2017: 100%, 1 April 2016: 100%).

Credit Risk

Credit risk is the risk that the power procurer will not meet their obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from their operating activities (primarily trade receivables) and from its financing activities but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further we have sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.

Trade Receivables

Customer credit risk is managed basis established policies of Company, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company does not hold collateral as security.

The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Financial instruments and credit risk

Credit risk from balances with banks is managed by group's treasury department. Investments, in the form of fixed deposits and mutual funds, of surplus funds are made banks and mutual fund houses and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the Company, and may be updated throughout the year subject to approval of 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.

(Amounts in INR million, unless otherwise stated)

35 Liquidity Risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The company rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire wind power plants and related assets. Our non-recourse financing is designed to limit cross default risk to the Parent Company or other subsidiaries and affiliates. Our non-recourse long-term debt is a combination of fixed and variable interest rate instruments. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. The Majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

The table below summarizes the maturity profile of financial liabilities of Company based on contractual undiscounted payments:

Year ended 31 March 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Long term borrowings						
Term loans in indian rupees from financial institutions and banks (including future interest payments)	-	-	-	29,153.35	59,445.48	88,598.83
Short term borrowings						
Loan from holding company	1,450.95	-	-	-	-	1,450.95
Acceptances	-	479.66	-	-	-	479.66
Other financial liabilities						
Financial liablities at amortised cost						
Current maturities of long term borrowings (including future interest payments)	-	1,323.82	4,729.37	-	-	6,053.19
Interest accrued but not due on borrowings	192.86	-	-	-	-	192.86
Interest accrued but not due on loan from holding company	1.15	-	-	-	-	1.15
Capital creditors	-	2,703.46	-	-	-	2,703.46
Trade payables						
Trade payables	-	66.04	-	-	-	66.04

Company expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

(Amounts in INR million, unless otherwise stated)

Year ended 31 March 2017	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Long term borrowings						
Term loans in indian from rupees financial institutions and banks (including future interest payments)	-	-	-	25,988.84	51,102.29	77,091.13
Other non-current financial liabilities						
Financial liabilities at at fair value thorugh profit and loss						
Cash settled share based payment	-	-	-	-	33.71	33.71
Other current financial liabilities						
Financial liablities at amortised cost						
Current maturities of long term borrowings (including future interest payments)	-	535.27	2,594.07	-	-	3,129.34
Interest accrued but not due on long term borrowings	73.41	-	-	-	-	73.41
Capital creditors	-	6,926.38	-	-	-	6,926.38
Trade payables						
Trade payables	-	107.66	-	-	-	107.66

Year ended 1 April 2016	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Long term borrowings						
Term loans in indian from rupees financial institutions and banks (including future interest payments)	-	-	-	6,876.29	30,281.62	37,157.91
Liability component of compulsorily convertible debentures (including future interest payments)	-	-	-	-	3,199.17	3,199.17
Short term borrowings						
Acceptances	-	1.93	-	-	-	1.93
Other non-current financial liabilities						
Financial liabilities at at fair value thorugh profit and loss						
Cash settled share based payment	-	-	-	-	15.86	15.86
Other financial liabilities						
Financial liablities at amortised cost						
Current maturities of long term borrowings (including future interest payments)	-	-	1,771.94	-	-	1,771.94
Debentures application money pending allotment	995.00	-	-	-	-	995.00
Share application money pending allotment	1,341.80	-	-	-	-	1,341.80
Interest accrued but not due on long term borrowings	16.46	-	-	-	-	16.46
Capital creditors	-	4,906.28	-	-	-	4,906.28
Trade payables						
Trade payables	-	58.39	-	-	-	58.39

(Amounts in INR million, unless otherwise stated)

36 Capital management

For the purpose of the capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's management is to maximise the shareholder value.

The Company manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, other payables, less cash and short-term deposits.

The policy of the Company is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with the the industry standard ratios. The current gearing ratios for the various projects in the Company is between 3:1 to 4:1.

In order to achieve this overall objective, the capital management of the Company, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2018.

37 Contingent liabilities and commitments
(to the extent not provided for)

(i) Contingent liabilities

There are no contingent liabilities as on 31 March 2018 (31 March 2017: Nil, 01 April 2016 : 844.00)

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for

There are capital commitment (net of advances) pertaining to commissioning of wind energy projects as at 31 March 2018 10,963.73 (31 March 2017: Nil ; 1 April 2016: INR 94,544.15).

38 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.

39 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the Group during the year is INR 4.34 (31 March 2017 INR Nil).

(b) Amount spent duting the year on:

List of CSR activities	In Cash	Yet to be paid	Total
Construction / Acquisition of any asset			
Activities relating to:			
Current year	3.66	-	3.66
Previous year	-	-	-
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,			
3) Ensuring environmental sustainability- animal welfare Plantation, environment awareness,			
4) Animal Welfare-Animal health camp, Para -vet training			
5) Education awareness, Remedial classes for weak students etc.			
6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.			

40 Segmant Information

The Chairman and Managing Director of Renew Power Limited (Ultimate Holding Company) takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker (CODM).

The Group is in the business of development and operation of wind power plant (refer note 1). Considering the nature of Group's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

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The revenue from four major customers amounts to INR 6,353.32 (31 March 2017 2,650,68) each of which contributes more than 10% of total revenue of the Group.

41 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Accounting judgements

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The 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, accelerated depreciation, other applicable allowances, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

Basis legal opinion obtained, management is of the view that application of CERC and/or SERC rates for the purpose of accounting for depreciation expenses is not mandatory. Hence, Company is depreciating the assets bases on life as determined by an expert.

b. Estimates and assumptions

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 28 and 29 for further disclosures.

42 First Time Adoption of Ind AS

The consolidated financial statements of the Group have been prepared in accordance with recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules. 2015 as amended and other accounting principles generally accepted in India ("Ind AS").

Accordingly, the Company has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Group in restating its Indian GAAP consolidated financial statements, including the balance sheet as at 1 April 2016 and the consolidated financial statements as at and for the year ended 31 March 2017.

A Exemptions Applied:-

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS.

The Group has applied the following optional exemptions:

I Property, Plant and Equipment

Freehold land, plant and equipment, leasehold improvement, office equipment, computers, furniture and fixtures, intangible assets were carried in the balance sheet prepared in accordance with Previous GAAP on the basis of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Group has elected to regard those values of assets as deemed cost at the transition date.

II Leases

As per the requirements of Indian GAAP, evaluation of Appendix C under Ind AS 17 was not required. As per Ind AS 101, the Group has applied the transitional provision in Appendix C of Ind AS 17 Determining whether an arrangement contains a Lease and has assessed all arrangements based upon the conditions in place as at the date of transition except where the effect is expected to be not material.

III Business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under the Ind AS that occurred before 1 April 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of acquisition.

Ind AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind AS balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind AS 101, the Group has tested goodwill for impairment at the date of transition to Ind AS. No goodwill impairment was deemed necessary at 1 April 2016.

The following mandatory exceptions have been applied:

I Estimates

a) The Group's estimates in accordance with Ind ASs at the date of transition to Ind ASs are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

b) Ind AS 101 treats the information received after the date of transition to Ind ASs as non-adjusting events. The entity shall not reflect that new information in its opening Ind AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

II De-recognition of financial assets

The company has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

III Impairment of financial assets: (Trade receivables and other financial assets)

At the date of transition to Ind ASs, the Company has determined that there is no increase in credit risk since the initial recognition of a financial instrument.

(Amounts in INR million, unless otherwise stated)

B. Effect of Ind AS adoption on the consolidated balance sheet as at 31 March 2017 and 1 April 2016

Particulars	Note	As per previous GAAP as at 31 March 2017*	Adjustments	Ind AS as at 31 March 2017	As per previous GAAP as at 1 April 2016*	Adjustments	Ind AS as at 1 April 2016
Assets							
Non Current Assets							
Property, Plant and Equipment	**B, G, M**	45,119.91	(176.76)	44,943.15	15,534.53	(87.20)	15,447.33
Capital work in progress	**C, D**	179.09	(0.48)	178.61	458.34	4.36	462.71
Goodwill		225.52	-	225.52	225.51	-	225.52
Intangible assets		1.55	-	1.55	1.90	-	1.90
Financial Assets							
Loans		1.96	(1.96)	-	1.96	(1.96)	-
Other		176.69	-	176.69	1.60	-	1.60
Investments	**N**	476.83	(37.38)	439.45	-	-	-
Deferred tax assets (net)	**E**	592.09	(182.88)	409.21	153.30	6.80	160.10
Prepayments	**B, F, L**	2.60	699.23	701.83	3.65	168.73	172.38
Other non-current assets	**D**	1,313.36	(362.33)	951.03	4,461.49	(210.75)	4,250.74
Total non-current assets		**48,089.59**	**(62.55)**	**48,027.04**	**20,842.29**	**(120.01)**	**20,722.28**
Current Assets							
Financial Assets							
Loans		2.32	(2.32)	-	-	-	-
Investments	**K**	4,048.88	30.66	4,079.54	506.68	5.10	511.78
Trade receivables	**O**	734.10	(180.20)	553.90	324.80	(24.10)	300.70
Cash and cash equivalents		2,638.43	-	2,638.43	1,244.92	-	1,244.92
Bank balances other than cash and cash equivalent		183.03	-	183.03	-		-
Other current financial assets	**O**	377.13	180.19	557.32	83.08	24.11	107.19
Prepayments	**B, F, L**	125.24	(18.36)	106.88	20.95	111.39	132.34
Other current assets	**D**	57.42	0.28	57.70	2.70	(0.01)	2.69
Total current assets		**8,166.55**	**10.25**	**8,176.80**	**2,183.13**	**116.49**	**2,299.62**
Total Assets		**56,256.14**	**(52.30)**	**56,203.84**	**23,025.42**	**(3.52)**	**23,021.90**
Equity and liabilities							
Equity							
Equity share capital		12,107.35	-	12,107.35	3,546.67	-	3,546.67
Other equity	**C, H**	2,772.48	1,118.21	3,890.69	(495.16)	869.19	374.03
Non-Controlling Interests		-	-	-	0.68	-	0.68
Total equity		**14,879.83**	**1,118.21**	**15,998.04**	**3,052.19**	**869.19**	**3,921.37**

(Amounts in INR million, unless otherwise stated)

B. Effect of Ind AS adoption on the consolidated balance sheet as at 31 March 2017 and 1 April 2016

Particulars	Note	As per previous GAAP as at 31 March 2017*	Adjustments	Ind AS as at 31 March 2017	As per previous GAAP as at 1 April 2016*	Adjustments	Ind AS as at 1 April 2016
Non Current Liabilities							
Financial Liabilities							
Long-term borrowings	D	33,617.69	(1,432.28)	32,185.41	12,487.67	(1,077.23)	11,410.44
Others	J	-	33.71	33.71	-	15.86	15.86
Long term provisions		0.01	(0.01)	-	0.27	-	0.27
Deferred Tax liabilities	E	-	-	-	-	163.79	163.79
Other non-current liabilities	F	28.40	220.97	249.37	14.50	24.87	39.37
Total non-current liabilities		**33,646.10**	**(1,177.61)**	**32,468.49**	**12,502.44**	**(872.71)**	**11,629.73**
Current Liabilities							
Financial Liabilities							
Short-term borrowings		-	-	-	1.93	-	1.93
Trade payables		107.65	-	107.66	58.38	-	58.39
Other current financial liabilities		7,518.66	-	7,518.65	7,339.23	-	7,339.23
Other current liabilities	F	100.32	7.10	107.42	66.95	-	66.95
Short term provisions		3.58	-	3.58	4.30	-	4.30
Total current liabilities		**7,730.21**	**7.10**	**7,737.31**	**7,470.79**	**-**	**7,470.80**
Total liabilities		**41,376.32**	**(1,170.51)**	**40,205.80**	**19,973.23**	**(872.71)**	**19,100.52**
Total Equity and Liabilities		**56,256.14**	**(52.30)**	**56,203.84**	**23,025.42**	**(3.52)**	**23,021.90**

* The previous GAAP figures have been reclassified to conform to IND AS presentation requirements.

(Amounts in INR million, unless otherwise stated)

C. Effect of Ind AS adoption on the consolidated statement of profit and loss for the year ended March 31, 2017

Particulars	Notes	As per previous GAAP for the year ended 31 March 2017*	Adjustments	Ind AS for the year ended 31 March 2017
Income				
Revenue from operations		2,650.68	-	2,650.68
Other Income	**K**	565.92	25.56	591.48
Total Income		**3,216.60**	**25.56**	**3,242.16**
Expenses				
Employee benefits expense	**J**	30.62	3.87	34.49
Other Expenses	**F, L**	172.00	201.22	373.22
Total expense		**202.61**	**205.10**	**407.71**
Earning before interest, tax, depreciation and amortization (EBITDA)		**3,013.99**	**(179.54)**	**2,834.45**
Depreciation and amortization expense	**B, G**	1,187.78	(373.74)	814.04
Finance costs	**C, D, M**	1,852.42	382.21	2,234.64
Loss before tax		**(26.22)**	**(188.01)**	**(214.22)**
Tax expense	**E**	(202.76)	(137.75)	(340.50)
Profit for the year before profit / (loss) of entity with joint control		**176.54**	**(50.26)**	**126.27**
Share of loss of entity with joint control	**N**	(0.96)	-	(0.96)
Profit for the year		**175.58**	**(50.26)**	**125.31**
Other comprehensive income (OCI)				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Net movement on cash flow hedges	**N**	-	(36.42)	(36.42)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**-**	**(36.42)**	**(36.42)**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Remeasurement gains / (losses) on defined benefit obligation		-	(0.08)	(0.08)
Income tax effect		-	(0.03)	(0.03)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax		**-**	**(0.11)**	**(0.11)**
Other comprehensive income for the year, net of taxes		**-**	**(36.53)**	**(36.53)**
Total comprehensive income for the year, net of tax		**175.58**	**(86.80)**	**88.78**

* The previous GAAP figures have been reclassified to conform to IND AS presentation requirements.

D. Notes to first time adoption of Ind AS

a Business Combinations

Using the exemption available as per Ind AS 101, the Group has elected not to apply Ind AS 103 retrospectively to the business combinations that occurred before the date of transition. With the application of the exemption, the classifications remains the same as in Indian GAAP financial statements. The carrying amount in accordance with previous GAAP of assets acquired and liabilities assumed in such business combinations shall be their deemed cost prior to the date of transition.

b Property, plant and equipment (PPE):

Under previous GAAP, the leasehold land has been classified as a part of Property, plant and equipment. However, under Ind AS, the Group has reclassified the gross block and related accumulated deprecation of leasehold land from property plant and equipment to prepayment, as per the terms and conditions of the contract.

c Compulsory Convertible Debentures

The Group has issued certain Compulsory Convertible Debentures. Under Indian GAAP these were being classified under long term borrowings. Under Ind AS, Compulsory Convertible Debentures (CCDs) are separated into liability and equity components based on the terms of the contract. Basis the terms of these contracts, equity component of compound financial instruments are being recognised by the entity directly in equity.

The present value of the liability part of the compulsory convertible debentures classified under financial liabilities and the equity component is calculated by subtracting the liability from the total proceeds of CCDs.

Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds. Transaction costs of equity and liability component are being accounted for as a reduction from equity and liability component respectively.

Interest on the liability component is recognised using the Effective Interest Rate (EIR) Method.

d Long-term borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised on straight-line basis and charged to profit or loss for the period. Under Ind AS, transaction costs/fees that are directly related to the origination of the borrowings and are an integral part of the Effective Interest Rate (EIR) are included in the carrying amount of the loan and charged to profit or loss using the EIR method.

e Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12, "Income taxes", requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. The application of Ind AS 12 has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. Additional deferred taxes have been recorded on temporary differences related to compound financial instruments, and loans and borrowings.

In addition, the various transitional adjustments lead to additional temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

f Other expenses

The Group has straight lined contractual operation and maintenance cost for the term of such contract over free operation and maintenance period which ranges from 2 to 3 years.

g Depreciation and amortization

The group has re-estimated the useful life of property, plant and equipment and it's residual value based on internal technical assessments resulting in reduction of depreciation expenses.

h Other comprehensive income ("OCI")

Under Indian GAAP, the Group has not presented OCI separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

D. Notes to first time adoption of Ind AS

i Employee Benefit expenses

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

j Share Based Payments

The Parent issues liability-settled options to certain employees. Under Indian GAAP, the amount received from employees has been considered as a part of preference share capital. Under Ind AS, these are measured at fair value on the date of grant and the resulting expense is amortised over the vesting period, based on the Group's estimate of the liability that will eventually vest.

k Investments in Mutual funds

Under Indian GAAP, investment in mutual funds were measured at lower of cost or fair value. Under Ind AS, these investments are classified as FVTPL on the date of transition and the changes in fair value are recognised in the statement of Profit and Loss.

l Straight-lining of upfront fees paid for GBI

The group pays GBI registration charges which are expensed off under Indian GAAP in the year of payment. Under IND AS, the same is treated as a prepaid expense and charged to the statement of profit and loss over a period of 10 years.

m Group Borrowing Costs

Borrowing costs are costs which are 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).

Under Indian GAAP, the Group does not capitalise such borrowing cost. Under Ind AS, borrowing cost are capitalised. 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 amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

n Equity accounting under IND AS

The Company has 49% stake in Prathamesh Solarfarms Limited. Under Indian GAAP, the company has accounted for the same as per the profits computed under Indian GAAP. Under IND AS, company has accounted for the same as per the profits of IND AS.

o Reclass of GBI receivable from trade receivable to financial asset

Under Indian GAAP, Generation based incentive receivable were disclosed under the head trade receivable. In case of unbilled revenue pertaining to GBI receivable, the same were disclosed under the head Unbilled revenue. Under IND AS, the same has been classified as a government grant and the receivable pertaining to the same has been disclosed under the head "non financial asset".

p Statement of Cash Flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

(Amounts in INR million, unless otherwise stated)

43 In line with RBI/2014-15/129 A. P. (DIR Series) Circular No. 4 dated July 15, 2014 in relation to transfer of shares of the Company by way of sale from a non-resident shareholder to a resident shareholder, below are the required disclosures:

(a) Details of valuation of share
- Number of Equity Shares transferred : 1,398,235,124
- Rate at which shares are being transferred : Rs. 30.28 per share
- Fair Valuation of the shares : Rs. 34.8 per share

(b) The pricing methodology adopted : Discounted Cash Flow Method

(c) Agency that has given/certified the valuation
- Name of the Valuer : Price Waterhouse & Co LLP
- Name of the Partner : Rajan Wadhwan
- Membership Number : 090172

44 Additional disclosure as required under Schedule III of Companies Act, 2013:

Name of the entity	As at 31 March, 2018		For the year ended 31 March, 2018					
	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 other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent	**3.33%**	**629.38**	**197.72%**	**(603.88)**	**(7.21%)**	**(2.45)**	**223.36%**	**(606.33)**
Subsidiaries								
Ostro Rann Wind Private Limited	0.02%	3.94	0.14%	(0.43)	0.00%	-	0.16%	(0.43)
Ostro Alpha Wind Private Limited	0.03%	4.77	1.27%	(3.88)	0.00%	-	1.43%	(3.88)
Ostro Bhesada Wind Private Limited	0.00%	0.22	0.19%	(0.58)	0.00%	-	0.21%	(0.58)
Ostro Dakshin Power Private Limited	10.53%	1,987.60	(2.11%)	6.45	0.00%	-	(2.38%)	6.45
Ostro Dhar Wind Private Limited	0.00%	0.03	0.36%	(1.10)	0.00%	-	0.41%	(1.10)
Ostro Kutch Wind Private Limited	16.30%	3,076.09	12.32%	(37.63)	0.00%	-	13.86%	(37.63)
Ostro Kannada Power Private Limited	0.01%	1.66	0.42%	(1.28)	0.00%	-	0.47%	(1.28)
Ostro Raj Wind Private Limited	0.04%	7.93	0.17%	(0.53)	0.00%	-	0.19%	(0.53)
Ostro Jaisalmer Private Limited	4.71%	889.33	(50.38%)	153.89	0.00%	-	(56.69%)	153.89
Ostro Madhya Wind Private Limited	8.07%	1,523.00	(68.91%)	210.48	0.00%	-	(77.53%)	210.48
Ostro Mahawind Power Private Limited	7.95%	1,501.36	(48.20%)	147.22	0.00%	-	(54.23%)	147.22
Ostro Anantapur Private Limited	10.01%	1,889.59	25.64%	(78.32)	0.00%	-	28.85%	(78.32)
Ostro Renewables Private Limited	2.64%	498.47	(9.96%)	30.41	0.00%	-	(11.20%)	30.41
AVP Powerinfra Private Limited	2.68%	505.62	(4.66%)	14.22	0.00%	-	(5.24%)	14.22
Badoni Power Private Limited	2.72%	513.08	(1.59%)	4.87	0.00%	-	(1.79%)	4.87
Ostro Andhra Wind Private Limited	10.32%	1,948.17	19.00%	(58.02)	0.00%	-	21.37%	(58.02)
Ostro AP Wind Private Limited	10.47%	1,977.18	45.32%	(138.41)	0.00%	-	50.99%	(138.41)
Ostro Urja Wind Private Limited	8.09%	1,527.68	(11.81%)	36.08	0.00%	-	(13.29%)	36.08
Total Subsidiaries	**94.60%**	**17,855.72**	**-92.80%**	**283.44**	**0.00%**	**-**	**-104.41%**	**283.44**
Entities under joint control								
Prathamesh Solarfarms Limited	1.32%	248.31	(3.04%)	9.29	107.21%	36.42	(16.84%)	45.71
Heramba Renewables Limited	0.24%	45.11	0.12%	(0.37)	0.00%	-	0.14%	(0.37)
Aalok Solarfarms Limited	0.13%	24.67	(0.68%)	2.06	0.00%	-	(0.76%)	2.06
Shreyas Solarfarms Limited	0.25%	47.58	(0.69%)	2.10	0.00%	-	(0.77%)	2.10
Abha Solarfarms Limited	0.13%	24.80	(0.63%)	1.93	0.00%	-	(0.71%)	1.93
Total Entities under joint control	**2.07%**	**390.47**	**-4.92%**	**15.01**	**107.21%**	**36.42**	**-18.95%**	**51.43**
Total	**100.00%**	**18,875.57**	**100.00%**	**(305.43)**	**100.00%**	**33.97**	**100.00%**	**(271.46)**

Name of the entity	As at 31 March, 2017		For the year ended 31 March, 2017					
	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	**16.64%**	**2,661.64**	**-208.56%**	**(261.23)**	**0.30%**	**(0.11)**	**(294.55%)**	**(261.34)**
Subsidiaries								
Ostro Rann Wind Private Limited	0.02%	3.97	(0.27%)	(0.34)	0.00%	-	(0.38%)	(0.34)
Ostro Alpha Wind Private Limited	0.04%	5.75	(0.58%)	(0.73)	0.00%	-	(0.82%)	(0.73)
Ostro Bhesada Wind Private Limited	0.00%	0.29	(0.10%)	(0.12)	0.00%	-	(0.14%)	(0.12)
Ostro Dakshin Power Private Limited	1.29%	205.83	(0.45%)	(0.57)	0.00%	-	(0.64%)	(0.57)
Ostro Dhar Wind Private Limited	0.00%	0.68	(1.22%)	(1.53)	0.00%	-	(1.72%)	(1.53)
Ostro Kutch Wind Private Limited	0.21%	34.02	(0.57%)	(0.71)	0.00%	-	(0.80%)	(0.71)
Ostro Kannada Power Private Limited	0.02%	2.44	(0.13%)	(0.16)	0.00%	-	(0.18%)	(0.16)
Ostro Raj Wind Private Limited	0.05%	7.96	(0.52%)	(0.65)	0.00%	-	(0.73%)	(0.65)
Ostro Jaisalmer Private Limited	6.72%	1,074.84	18.77%	23.52	0.00%	-	26.50%	23.52
Ostro Madhya Wind Private Limited	8.18%	1,307.88	52.46%	65.71	0.00%	-	74.06%	65.71
Ostro Mahawind Power Private Limited	8.77%	1,402.95	9.93%	12.43	0.00%	-	14.01%	12.43
Ostro Anantapur Private Limited	12.26%	1,961.56	(12.34%)	(15.46)	0.00%	-	(17.43%)	(15.46)
Ostro Renewables Private Limited	2.86%	456.98	45.33%	56.78	0.00%	-	64.00%	56.78
AVP Powerinfra Private Limited	3.19%	510.70	0.89%	1.11	0.00%	-	1.26%	1.11
Badoni Power Private Limited	3.18%	509.20	(1.78%)	(2.23)	0.00%	-	(2.51%)	(2.23)
Ostro Andhra Wind Private Limited	12.59%	2,014.82	41.19%	51.60	0.00%	-	58.16%	51.60
Ostro AP Wind Private Limited	13.33%	2,132.89	42.62%	53.38	0.00%	-	60.17%	53.38
Ostro Urja Wind Private Limited	9.37%	1,499.09	116.10%	145.42	0.00%	-	163.90%	145.42
Total Subsidiaries	**82.08%**	**13,131.86**	**309.33%**	**387.45**	**0.00%**	**0.00%**	**436.69%**	**387.45**
Entities under joint control								
Prathamesh Solarfarms Limited	1.28%	204.49	(0.76%)	(0.96)	99.70%	(36.42)	(42.13%)	(37.38)
Total Entities under joint control	**1.28%**	**204.49**	**-0.76%**	**(0.96)**	**99.70%**	**(36.42)**	**-42.13%**	**(37.38)**
Total	**100.00%**	**15,997.98**	**100.01%**	**125.26**	**100.00%**	**(36.53)**	**100.01%**	**88.73**

Name of the entity	As at 1 April, 2016	
	Net Assets	
	As % of consolidated net assets	Amount
Parent	**-66.04%**	**(3,475.74)**
Subsidiaries		
Ostro Rann Wind Private Limited	0.08%	4.01
Ostro Alpha Wind Private Limited	0.11%	5.73
Ostro Bhesada Wind Private Limited	0.00%	(0.09)
Ostro Dakshin Power Private Limited	0.04%	2.00
Ostro Dhar Wind Private Limited	0.02%	1.00
Ostro Kutch Wind Private Limited	0.00%	(0.08)
Ostro Raj Wind Private Limited	0.16%	8.61
Ostro Jaisalmer Private Limited	20.75%	1,091.99
Ostro Madhya Wind Private Limited	34.95%	1,839.53
Ostro Mahawind Power Private Limited	0.00%	0.02
Ostro Anantapur Private Limited	28.43%	1,496.40
Ostro Renewables Private Limited	15.24%	802.00
AVP Powerinfra Private Limited	0.36%	19.13
Badoni Power Private Limited	0.46%	24.16
Ostro Andhra Wind Private Limited	13.92%	732.79
Ostro AP Wind Private Limited	13.68%	720.15
Ostro Urja Wind Private Limited	37.84%	1,991.55
Total Subsidiaries	**166.04%**	**8,738.90**
Total	**100.00%**	**5,263.16**

45 Absolute amounts less than INR 5,000 are appearing in the financial statements as "0.00" due to presentation in millions.

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Amit Chugh
Partner
Membership No.: 505224

Place: Gurugram
Date: 16 July 2018

For and on behalf of the Ostro Energy Private Limited

Surendra Vinod
Director
DIN No- 7643036

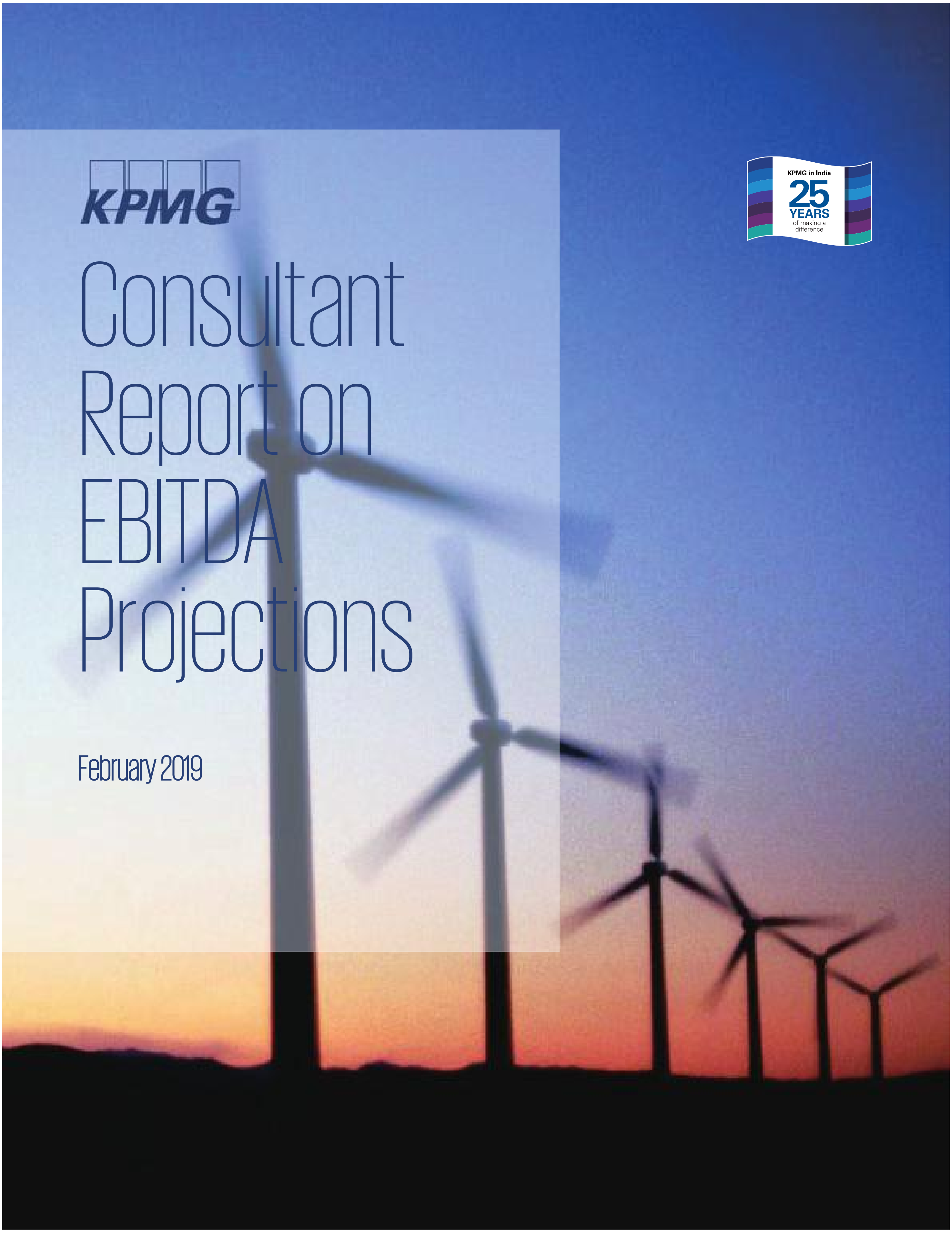
Place: Gurugram
Date: 16 July 2018

Parmeshhwar Ravi
Director
DIN No- 5216282

Place: Gurugram
Date: 16 July 2018

Ankush Wadhawan
Company Secretary
M. No- A21384

Place: Gurugram
Date: 16 July 2018



KPMG

Consultant Report on EBITDA Projections

February 2019

IMPORTANT NOTICE TO READER

This report is intended solely for the information and use of the Company and the Joint Lead Managers (solely in their capacity as Joint Lead Managers and not as purchasers of any security of the Company) (each, as defined hereafter in the Cover Letter) subject to the terms of the engagement letter between KPMG, Company and Joint Lead Managers and is not intended to be used or relied upon by any third party. The report is based on procedures agreed upon with the Company and may not be suitable for any other purposes other than as contemplated under the engagement letter.

It should be noted that actual results are likely to be different from the projected financial information since anticipated events and the Company's actions frequently do not occur as expected and the variation could be material. The projected financial information, including underlying assumptions, has been prepared by the Company for the intended use, using a set of assumptions that include assumptions about future events and Management's actions that are not necessarily expected to occur. There is no representation that the projections will be realized.

The recipient ("Recipient") of this report acknowledges that KPMG has conducted a limited review in accordance with the engagement contract with the Company and the Joint Lead Managers pursuant to which a Consultant Report dated 22nd February 2019 ("Consultant's Report") has been issued to the Company. However, the Recipient should carry out its own due diligence. It should be also noted that any extracts from the Consultant's Report and/or the Summary of Consultant Report are only a part of the overall Consultant's Report issued to the Company and the Joint Lead Managers and may not disclose all relevant matters. The Recipient should read the extracts and/or Summary together with the Consultant's Report (including any scope limitations and disclaimers incorporated therein). For financial information concerning the Company, the Recipient of this report should review the actual financial statements of the Company. KPMG expressly disclaims any and all liability for, or based on or relating to any such information contained in, or errors in or omissions from, the Consultant's Report or based on or relating to the Recipients' use of the Consultant's Report.

The Recipient acknowledges that there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Further, the scope and sufficiency of the procedures performed by KPMG in preparation of the Consultant Report is solely the responsibility of the Company and KPMG makes no representation regarding the sufficiency of the procedures for the purpose for which the Consultant's Report has been requested or for any other purpose.

The Consultant's Report does not attest the capabilities of the Company. Accordingly, the Consultant's Report cannot and does not make a recommendation to anyone for investment in the Company.

The Consultant's Report may contain references to market standards or industry practices which may change from time to time or to information from public domain which has not been independently verified. KPMG does not assume any responsibility for the same.

Performance of KPMG's work as contained in the Consultant's Report with regard to the Company's business, business model, operations, financials and other Company related information was based on facts, assumptions, information and explanations given to it by the staff of the Company and therefore KPMG has assumed that the said information is factually accurate and complete without any independent verification or evaluation of the same. KPMG assumes no responsibility for the same. Neither KPMG, nor any of its partners, directors or employees undertake responsibility in any way whatsoever in respect of any errors in the Consultant's Report, arising from incorrect information being provided by the Company's staff.

KPMG's views are not binding on any person, entity, authority or Court, hence, no assurance is given that a position contrary to the opinions expressed in the Consultant's report will not be asserted by any person, entity, authority and/or sustained by an appellate authority or a court of law.

This material contains information sourced from third party sources. KPMG is not responsible for any loss whatsoever caused due to reliance placed on information used from such external sources.

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By reading our report, the reader of the report shall be deemed to have accepted the terms mentioned hereinabove.

To,
Board of Directors of Renew Power Limited
Commercial Block-1, Zone 6,
Golf Course Road,
DLF City Phase-V,
Gurugram-122009, Haryana
INDIA

Goldman Sachs (Singapore) Pte
1 Raffles Link
#07-01 South Lobby
Singapore 039393

The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
21 Collyer Quay, #10-01 HSBC Building
Singapore 049320

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E4 5JP
United Kingdom

YES Bank Ltd, IFSC Banking Unit
901, Block 13 B, Hiranandani Signature Building,
GIFT SEZ, GIFT City, Gandhinagar – 382355, India

Date: 22nd February 2019

Dear Sir(s),

We refer to our engagement letter dated 21st February 2019 ("Engagement Letter") signed by KPMG India Private Limited and Renew Power Limited ("Company") and Goldman Sachs (Singapore) Pte, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, J.P. Morgan Securities plc and YES Bank Ltd, IFSC Banking Unit (collectively, "Joint Lead Managers").

This written report shall supersede all previous oral, draft or interim advice, reports and presentations, and no reliance will be placed by you on any such oral, draft or interim advice, reports or presentations other than at your own risk.

This report has been prepared on the basis of our fieldwork conducted up to 22nd February 2019 in accordance with the terms of reference set out in our Engagement Letter. We also spoke with Company management. We have not undertaken and have no obligation to update our report for events or circumstances arising after 22nd February 2019.

Scope and Purpose

The scope of our engagement (as described hereafter and in the Engagement Letter) is limited such that it would not enable us to detect whether any underlying assumptions or date provided by the Company contained material misstatements or omissions.

As such, this report (including the covering letter hereto) is not and is not intended to be relied upon by the Company or the Joint Lead Managers as a comfort letter issued in accordance with United States Public Company Accounting Oversight Board (the “PCAOB”) AS 6101 or other applicable standards established by the PCAOB or the Institute of Chartered Accountants of India.

We were responsible for planning and performing certain procedures, and reporting to you on that basis in respect of the specific procedures set out in our scope of work. Our work was limited to reviewing the model from mathematical accuracy point of view and commenting on the consistency of the assumptions within the model which, for the avoidance of doubt, includes no assessment or opinion on the reasonableness or adequacy of the assumptions set forth in the model. We did not evaluate, verify or validate the assumptions underlying the projections or any other information or documents provided to us. For details on specific procedures performed by us, please refer to section 1 related to Approach and Methodology of our report.

Sources of information

For the purpose of our work, the Company provided us their model by their communication dated 22nd February 2019. The Company is responsible for the preparation and contents of the Model.

Information presented in the report has been obtained from the Company and we have satisfied ourselves, so far as possible, that the information presented in this report is consistent with information which was made available to us in the course of our work in accordance with the terms of our engagement letter. We have not, however, sought to establish the reliability of the sources by reference to other evidence.

We have not independently verified the information gathered or contained in this report and, accordingly, express no opinion or make any representations or warranties concerning its accuracy or completeness unless specifically covered as part of our scope.

Scope limitation

The scope and sufficiency of these procedures is solely the responsibility of the Company. We make no representation regarding the sufficiency of the procedures described in this report for the purpose for which this report has been requested or for any other purpose. This report outlines the procedures we have performed and results of such procedures.

As such, this report may not necessarily disclose all significant matters regarding the Company or reveal errors or irregularities, if any, in the underlying information. Furthermore, such procedures do not constitute or is intended to constitute an audit, examination, attestation, special report, agreed-upon procedures or review in made in accordance with any generally accepted auditing standards or in accordance with standards established by the Institute of Chartered Accountants of India or PCAOB and, therefore, we do not express an opinion within the meaning of such standards or any other form of assurance on the information presented in our report.

It may be noted that we were not engaged to and did not conduct an examination to express an opinion on the accompanying EBITDA projections. As a result, through this report and observations therein, we do not express an opinion on whether the underlying assumptions provide a reasonable basis for the presentation. Had we performed additional procedures, other matters might have come to our attention that would have been reported to the Company. Further, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We do not accept any responsibility for any such information or forecasts represented by the Company management and will bear no liability against any loss which may arise to any person due to the incorrectness or inaccuracy of such views, statements or forecasts.

You should note that our findings do not constitute recommendations to you as to whether or not you should proceed with the proposed transaction. Our report reflects events and circumstances as they existed during the fieldwork period.

We have not conducted a technical review of the projects, and our analysis is based on information and data provided by the Company.

The terms of reference for this report as outlined in the Engagement Letter, have been agreed by you, and to the fullest extent permitted by law we will not accept responsibility or liability to any other party to whom the report may be shown or who may acquire a copy of the report. We will not accept responsibility for any loss sustained by any person who relies on our report for making any investment decision based on the contents of this report.

As such, this report is intended solely for the information and use of the Company and the JLMs and is not intended to be used or relied upon by anyone else. The report contains procedures agreed upon with the Company and may not be suitable for any investment decision or other purposes.

Yours faithfully,

For KPMG India Private Limited

Bhavik Damodar

Glossary

AC	Alternating Current
AVVNL	Ajmer Vidyut Vitran Nigam Limited
COD	Commercial Operations Date
DC	Direct Current
DISCOM	Distribution Company
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
FIT	Feed in Tariff
FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GBI	Generation Based Incentive
GESCOM	Gulbarga Electricity Supply Company Limited
GST	Goods and Services Tax
HESCOM	Hubli Electricity Supply Company Limited
HT	High Tension
IFRS	International Financial Reporting Standards
INR	Indian Rupee
IREDA	Indian Renewable Energy Development Agency Limited
JdVVNL	Jodhpur Vidyut Vitran Nigam Limited
JVVNL	Jaipur Vidyut Vitran Nigam Limited
KERC	Karnataka Electricity Regulatory Commission
KPTCL	Karnataka Power Transmission Corporation Limited
KRL	Kanak Renewables Limited
kWh	Kilo Watt Hour
MAT	Minimum Alternative Tax
Million kWh	Million Kilo Watt Hour
MPERC	Madhya Pradesh Electricity Regulatory Commission
MPPMCL	Madhya Pradesh Power Management Company Limited
MPPTCL	Madhya Pradesh Power Transmission Company Limited
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MW	Mega Watt

MW_{AC}	Mega Watt - AC Capacity
MW_{DC}	Mega Watt - DC Capacity
O&M	Operations and Maintenance
OEM	Original Equipment Manufacturer
PLF	Plant Load Factor
PPA	Power Purchase Agreement
RCEPL	Renew Clean Energy Private Limited
RPPL	ReGen Powertech Private Limited
RPSPL	ReNew Power Services Private Limited
RRL	Rajat Renewables Limited
RSEPL	ReNew Solar Energy Private Limited
RSETPL	Renew Solar Energy (Telangana) Private Limited
RSPPL	ReNew Solar Power Private Limited
RSUPL	Renew Saur Urja Private Limited
RWEBPL	Renew Wind Energy (Budh 3) Private Limited
RWEDPL	Renew Wind Energy (Devgarh) Private Limited
RWERPL	Renew Wind Energy (Rajasthan 3) Private Limited
SCADA	Supervisory Control and Data Acquisition
SECI	Solar Energy Corporation of India
SERC	State Electricity Regulatory Commissions
SGSL	Suzlon Global Services Limited
SPV	Special Purpose Vehicle
TSNPDCL	Northern Power Distribution Company of Telangana Limited
USD	United States Dollar
VGF	Viability Gap Funding
WNL	Wadgare, Nirna and Ladha
WRA	Wind Resource Assessment

Contents

1 Approach and Methodology

As per the scope of work agreed in the engagement letter, we have undertaken specific procedures, as outlined below, with respect to the assumptions relating to Earnings Before Interest, Taxes, Depreciation and Amortization (referred to as "EBITDA") projections of a select set of 281.7 MW of wind energy projects and 354.0 MW solar power projects for Financial Year 2020 (1 April, 2019 to 31 March, 2020).

Sr. No.	Items relating to EBITDA Projections	Approach and Methodology
1	EBITDA Projections Model	a. Obtain the EBITDA Projections Model ("Model") from the Company to assess (a) logic and assumptions in the Model and (b) mathematical accuracy of the EBITDA Projections.
2	Capacity units and Commissioning date	a. For each project, obtain the commissioning certificates issued by authorised agency of the relevant state government from the Company to compare capacity units and commissioning date mentioned in commissioning certificate to the assumption in the Model.
3	Base PLF/ Auxiliary Loss/ Additional Transmission Loss/ degradation factor/Net Saleable Energy	a. For all wind projects, obtain Wind Resource Assessment (WRA) reports prepared by third party technical consultants (engaged by the Company) from the Company and compare Base PLF (P75 estimates as per WRA reports) mentioned in such reports to the assumption in the Model. b. For all solar projects, obtain the PVSyst reports prepared by third party technical consultants (engaged by the Company) from the Company and compare Base PLF (P75 estimate as per PVSyst reports) to the assumption in the Model. c. For all solar projects, obtain management's estimate of degradation factor and compare the same to the assumption in the Model. d. For such projects where Base PLF does not consider Auxiliary Loss and Additional Transmission Loss up to the grid substation/joint meter reading point, obtain management representation from the Company for such Auxiliary Loss and Additional Transmission Loss to the extent not considered in the WRA or PVSyst reports and compare this to the assumption in the Model. (Refer section 4.2) e. Analyse the computation of Net Saleable Energy, which is the energy sold to customers/buyers at the applicable tariff. For projects selling power to DISCOMs, the Net Saleable Energy is obtained by deducting Base PLF with Auxiliary Loss, Additional Transmission Loss, and degradation factor (if applicable). For projects selling power under third party open access route, the Net Saleable Energy is further adjusted to account for Open Access Losses (Refer Sr. No. 6).
4	Generation based incentives (GBI)	a. For all eligible wind projects, obtain latest GBI registration certificates issued by Indian Renewable Energy Development Agency from the Company and compare the capacity registered as mentioned in the GBI registration certificates to the assumption in the Model.
5	Open Access Charges and Open Access Losses	a. For projects selling power directly to consumers, obtain the applicable regulations governing transmission/wheeling/banking charges and other open access costs ("Open Access Charges") and transmission/wheeling/banking losses ("Open Access Losses") from the Company and compare the Open Access Charges mentioned in such regulations to the assumption in the Model.
6	Tariff	a. For all projects selling power to DISCOMs, obtain power purchase agreements (PPAs) with utilities from the Company and compare the tariff as per the PPAs to the assumptions in the Model.

Sr. No.	Items relating to EBITDA Projections	Approach and Methodology
		b. For all projects selling power directly to consumers, obtain a management representation from the company for weighted average tariff applicable in FY19 and annual escalation factor applicable on such tariff to compute FY20 weighted average tariff. Compare the FY19 tariff and escalation factor in management representation to the assumptions in the Model.
7	Operating and maintenance (O&M) expenses	a. For each project, obtain O&M contracts from the Company and compare O&M charges mentioned in the contracts to the assumption in the Model. b. For projects where O&M contract has expired or a higher O&M cost has been considered, compare O&M charges mentioned in management's representation to the assumptions in the Model.
8	Other expenses including insurance charges	a. Obtain management's representation with regard to the other expenses including insurance expenses from the Company and compare other expenses mentioned in management's representation to the assumptions in the Model.
9	Other matters	a. All tariffs and PLFs have been rounded to the nearest 2 decimal places, all figures in million kWh, INR million and USD million have been rounded to the nearest 1 decimal place.

In undertaking the above procedures, we have not:

a. Conducted any due diligence on any information provided in the technical or due diligence reports provided by consultants Garrad Hassan, TUV Rheinland, DNV GL and Tata Consulting Engineers Ltd.

b. Obtained or verified any land record/land agreements/rent agreements/property taxes related documents. We have relied on management representations in relation to all of these expenses.

c. Evaluated the Model logic and/or the associated input assumptions below EBITDA including, but not limited to, calculations and assumptions related to taxes, interest, depreciation, financing structures, (i.e., tax equity, project debt financing), working capital, etc. Our scope also did not include performing any procedures on projected cash flows or projected balance sheet.

d. Verified, checked, or analysed any historical data presented by the Company.

The representations provided by management are included as Appendix 2 to this report.

2 Key findings

Based on the above procedures, limitations and the information provided by the Company, the following are our key findings with regard to the EBITDA Projections Model ("Model"):

Sr. No.	Items relating to EBITDA Projections	Key findings
1	EBITDA Projections Model	No mathematical inaccuracies were identified in the Model.
2	Capacity, units and Commissioning date	For all projects, we compared the AC capacity and commissioning date assumptions in the Model to those in the COD certificates issued by relevant state agencies and noted no differences. Refer Appendix 1 for project-wise dates of commissioning. For solar power projects except Dichipally, Wadgare, Nirna, and Ladha, we compared the DC capacity assumption in the Model to those in the PVSyst reports and noted no differences. For Dichipally, management represented that the installed DC capacity of the project is 171.6 MW_{DC} as against 171.8 MW_{DC} considered in the PVSyst report. Management also represented that this difference is unlikely to cause any change in the P75 PLF. The combined installed AC capacity of Wadgare, Nirna, and Ladha is 60.0 MW_{AC} as against 60.6 MW_{AC} considered in the PVSyst reports. Management represented that the combined installed DC capacity of Wadgare, Nirna, and Ladha is 75.0 MW_{DC} as against 75.1 MW_{DC} considered in the PVSyst reports. The management also represented that this difference is unlikely to cause any change in the P75 PLF. For MP Solar II, management represented that the installed DC capacity of the project is 68.7 MWDC as against 68.8 MWDC considered in the PVSyst report. Management also represented that this difference is unlikely to cause any change in the P75 PLF. For MP Solar II, management has represented that, MPPMCL has expressed intent to consider DC capacity of the project beyond the 58.6 MW_{DC} that they are currently considering, and has constituted an internal committee to further investigate the matter. Management represented that MPPMCL has requested certain information from the Company which the management has provided. Accordingly, the DC capacity in the model has been considered as 61.2 MW_{DC} in order to account for the lower payments being received from MPPMCL. Observations for individual projects are discussed in Section 6.
3	Base PLF/ Auxiliary Loss/ Additional Transmission Loss/ degradation factor/Net Saleable Energy	We compared Base PLF in the Model with the P75 estimates set out in the WRA reports and PVSyst Reports provided by the Company. For all projects, Base PLF assumptions in the Model was either equal to or lower than the P75 estimates outlined in WRA/PVSyst reports. We noted that Base PLF considered in the model for all wind power projects is based on AC capacity and for all solar power projects based on DC capacity. For Kushtagi, management has represented that Base PLF assumed in the Model is 29.0% as against 29.39% considered in the WRA report on a conservative basis.

Sr. No.	Items relating to EBITDA Projections	Key findings
		For solar power projects, we compared the degradation factor considered in the Model with management representation and noted no differences. For all projects where Base PLF does not consider Auxiliary Loss and Additional Transmission Loss up to the grid substation/joint meter reading point, we noted that management's estimate of Auxiliary Loss and Additional Transmission Loss compared the assumptions in the Model. Observations for individual projects are discussed in Section 6.
4	Generation based incentives (GBI)	Based on GBI registration letters from Indian Renewable Energy Development Agency Limited (IREDA), we noted that Vaspet-IV, Bhesada, and SREI (Sipla) are registered to avail GBI benefits. Further, we compared the GBI rate mentioned in GBI guidelines issued by IREDA to the GBI rate assumptions in the Model and noted no differences. For SREI (Sipla), management represented that the GBI registration has been provided in favour of India Power Corporation Limited. The process of name change in the PPA and the GBI certificate is currently on-going. As per the agreement between India Power Corporation Limited and ReNew Power Limited, the GBI income from the project shall be a pass-through to ReNew Power Limited till the name change is completed. Observations for individual projects are discussed in Section 6.
5	Open Access Charges and Open Access Losses	For projects located in Karnataka and selling power directly to consumers, we compared the Open Access Losses as per applicable regulations provided by the Company. KERC issued an order on 14 May, 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The amendment of Open Access Charges and Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May, 2018, the company has assumed exemption from Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Raichur, Ittigi, Wadgare, Nirna, and Ladha. Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, we discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. In an order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours. However, management has represented that considering that the matter is reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed in the Model. Observations for individual projects are discussed in Section 6.
6	Tariff	For all projects selling power to DISCOMs, we compared the assumptions in the Model to the tariffs outlined in the PPAs and noted no differences. For SREI (Sipla) management represented that existing PPA is between India Power Corporation Limited (the previous owner of the project) and Jaipur Vidyut

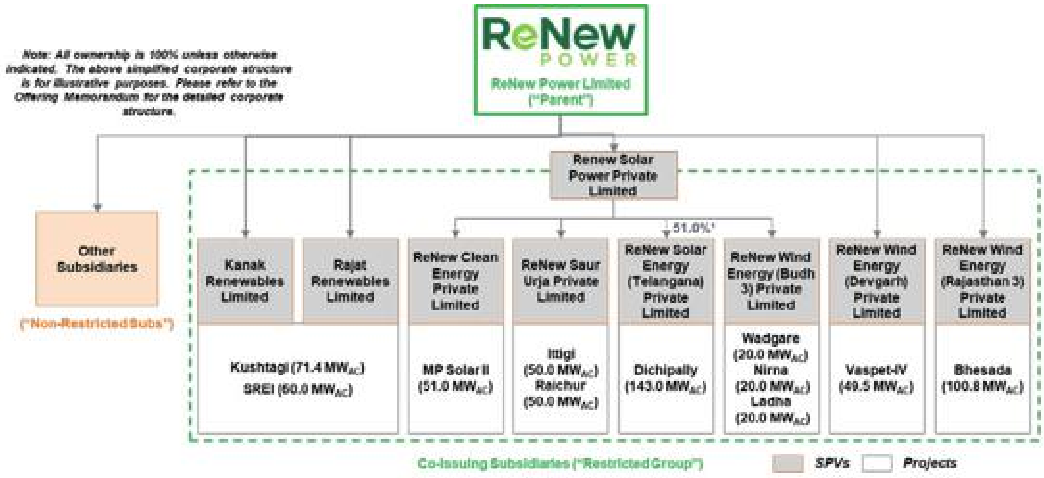
Sr. No.	Items relating to EBITDA Projections	Key findings
		Vitran Nigam Limited (utility). The process of name change in the PPA is currently on-going. Management represented that as per the agreement between India Power Corporation Limited and ReNew Power Limited, the revenue from sale of power shall be a pass-through to ReNew Power Limited till the name change is completed. For Ittigi, we compared management's representation regarding (a) FY17 weighted average tariff and (b) tariff escalation with the assumptions in the Model and noted no differences. For Raichur, Wadgare, Nirna, and Ladha, we compared management's representation regarding (a) FY19 weighted average tariff and (b) tariff escalation with the assumptions in the Model and noted no differences. Observations for individual projects are discussed in Section 6.
7	Operating and maintenance (O&M) expenses	For all projects except Wadgare, Nirna, and Ladha, we compared the O&M cost specified in the management representation with the O&M cost assumed in the Model and noted no differences. For Wadgare, Nirna, and Ladha, we compared the O&M cost specified in the O&M contracts with the O&M cost assumed in the Model and noted no differences. Further, we noted that the O&M agreement of Ittigi expired on 14 January, 2019. Management represented that an O&M agreement will be signed by 28 February 2019. Management also represented that the O&M charges and annual escalation is likely to remain as per the previous agreement. We noted that no other O&M agreement was due to expire before 31 March, 2020. We noted that 18% GST on O&M cost has been considered in the Model which is as per the currently applicable GST rate. For Bhesada, Kushtagi, and Vaspet-IV, management represented that they have adopted O&M cost equalisation. Management represented that O&M cost equalisation is an accounting principle adopted, wherein the total O&M cost for a project (excluding GST) is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the "O&M charges". The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. We compared the O&M equalisation expense in the model with the management representation and noted no differences. Observations for individual projects are discussed in Section 6.
8	Other expenses including insurance charges	We compared insurance costs and other overheads assumed in the Model with management's representation and noted no differences.
9	Other Matters	Management has represented that EBITDA projections do not consider related party payments by respective projects to Renew Power Limited under Management shared services (referred to as cross-charge) as under the terms of

Sr. No.	Items relating to EBITDA Projections	Key findings
		the proposed bond issuance, such payments will be classified as "Restricted Payments" and can only be paid out to the related party subject to the Terms and Conditions of the Notes.

The details about the EBITDA level projections, underlying assumptions and detailed findings are outlined further in this report.

3 Introduction

Structure of the Restricted Group as provided by Management is presented below:



¹ 51% held by ReNew Solar Energy (Telangana) Private Limited (a wholly owned subsidiary of ReNew Solar Power Private Limited) and 49% held by Hareon Power Singapore Private Limited

The Restricted Group consists of 281.7 MW of commissioned wind power projects located in the states of Maharashtra, Rajasthan and Karnataka. The wind power projects have contracted to sell power to DISCOMs under long term Power Purchase Agreements ("PPAs") (with a tenure ranging from 13 to 25 years).

The Restricted Group also consists of 354.0 MW_{AC} of commissioned solar power projects located in Karnataka, Telangana, and Madhya Pradesh. The solar power projects have contracted to sell power to DISCOMs under long term Power Purchase Agreements ("PPAs") with a tenure of 25 years (194.0 MW_{AC}) as well as directly to Industrial and Commercial consumers (160.0 MW_{AC}).

3.1 EBITDA Projections

The Company has prepared the EBITDA projections for the following wind and solar power projects in India:

Project Type	Capacity (MW_{AC})
Operating wind power projects	281.7
Operating solar power projects	354.0
Total	**635.7**

The above set of operating projects comprise the Restricted Group. Details of specific projects considered in the projections are outlined later in Section 6. The Model provides combined and project-wise EBITDA projections for the Restricted Group projects and financial information associated with these projects including:

- Annual operating parameters – Base PLF, Additional Transmission Loss, Auxiliary Loss, degradation factor, Net Saleable Energy, Open Access Charges, Open Access Losses, Tariff
- Annual operating revenues
- Annual operating expenses including O&M charges, insurance and miscellaneous expenses
- Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

Revenues and EBITDA as presented in projected financials have not been recognized in accordance with Generally Accepted Accounting Principles (GAAP) but are instead non-GAAP estimates of future project performance. We have not ascertained the adherence of the projections to Indian GAAP or IFRS.

Further the projections of energy generation, revenues, expenses and EBITDA are consolidated measures of the projects reflecting 100% ownership. These figures do not take into account minority interests, tax equity, or other financial interests in any of the projects or subsidiaries.

4 Consolidated Projections

Based on the assumptions made by the Company in their Model, the combined financial projections for the Restricted Group are shown in the table below:

Particulars	FY20 E INR Million	FY20 E USD Million
Operational Capacity	635.7 MW_{AC}	
Net Saleable Energy	1,380.3 million kWh	
Revenue		
Revenue from sale of power	7,366.7	103.8
Revenue from GBI	179.7	2.5
Total Income	**7,546.4**	**106.3**
Expenses		
O&M charges	549.0	7.7
Service tax on O&M Charges	96.9	1.4
Other Expenses	109.5	1.5
O&M Equalisation	38.7	0.5
Total Expenses	**794.0**	**11.2**
EBITDA	**6,752.3**	**95.1**
EBITDA Margin	89.48%	

1. Exchange rate used: USD 1.0 = INR 71.0

The underlying input assumptions for operating characteristics/parameters, revenues and expenses for the Restricted Group and our overall findings are described below.

4.1 Capacity and Commissioning Date

For all projects, we compared the AC capacity and commissioning date assumptions in the Model to those in the COD certificates issued by relevant state agencies and noted no differences. Refer Appendix 1 for project-wise dates of commissioning.

For solar power projects except Dichipally, Wadgare, Nirna, and Ladha, we compared the DC capacity assumption in the Model to those in the PVSyst reports and noted no differences.

For Dichipally, management represented that the installed DC capacity of the project is 171.6 MWDC as against 171.8 MWDC considered in the PVSyst report. The management also represented that this difference is unlikely to cause any change in the P75 PLF.

The combined installed AC capacity of Wadgare, Nirna, and Ladha is 60.0 MWAC as against 60.6 MWAC considered in the PVSyst reports. Management represented that the combined installed DC capacity of Wadgare, Nirna, and Ladha is 75.0 MWDC as against 75.1 MWDC considered in the PVSyst reports. The management also represented that this difference is unlikely to cause any change in the P75 PLF.

For MP Solar II, management represented that the installed DC capacity of the project is 68.7 MWDC as against 68.8 MWDC considered in the PVSyst report. Management also represented that this difference is unlikely to cause any change in the P75 PLF.

Management represented that MPPMCL has expressed intent to consider DC capacity of the project beyond the 58.6 MW_{DC} that they are currently considering, and has constituted an internal committee to further investigate the matter. Management represented that MPPMCL has requested certain information from the Company which the management has provided. Accordingly, the DC capacity in the model has been considered as 61.2 MW_{DC} in order to account for the lower payments being received from MPPMCL.

Our observations on specific projects are discussed in Section 6.

4.2 Operating Characteristics/Parameters

4.2.1 Solar Power Projects

We obtained the PVSyst reports prepared for solar power projects of the Company. We noted that the PVSyst reports have been prepared by third party technical consultants such as TUV Rheinland and Tata Consulting Engineers Ltd. The PVSyst reports measure the PLF at the generation site prior to incidence of Auxiliary Loss, Additional Transmission Loss or degradation ("Base PLF").

In solar power projects, a project substation is generally located within the vicinity of the project. The project substation steps-up the voltage of power generated and feeds it into an external transmission line which connects the project to the grid substation located further away. This transmission of power from the project to the grid substation results in loss of a fraction of the energy generated by the project. We noted that PVSyst reports assume that energy metering will be undertaken at the project substation. In order to estimate Net Saleable Energy, Base PLF (PLF provided in the PVSyst reports) has been adjusted[1] to account for degradation factor, Additional Transmission Loss, and Auxiliary Loss as represented by management. For all solar power projects, we compared the degradation factor, Additional Transmission Loss, and Auxiliary Loss considered in the Model with the management representation and noted no differences. We noted that Base PLF considered in the Model for all solar power projects is based on DC capacity.

Because of the uncertainty involved in solar irradiation, PVSyst reports provide estimates of energy generation and plant load factor (PLF) based on different confidence levels referred to as P99, P95, P90, P75 and P50. For example, estimated energy generation at P75 represents that there is a 75% probability that actual generation will be higher than the estimated generation. Hence, P90 estimates are lower than P75 estimates which are lower than P50 estimates.

4.2.2 Wind Power Projects

We obtained the WRA Reports prepared by technical consultants Garrad Hassan, TUV Rheinland and DNV GL for all the wind power projects.

Because of the uncertainty involved in pattern of wind flows, WRA Reports provide estimates of energy generation and PLF based on different confidence levels referred to as P99, P95, P90, P75 and P50. This number represents the probability of the actual generation exceeding the estimated generation. For example, estimated energy generation at P75 represents that there is a 75% probability that actual generation will be higher than the estimated generation. Hence, P90 estimates are lower than P75 estimates which are lower than P50 estimates.

In wind power projects, a unit substation which steps-up the voltage of power generated is generally located at every turbine. The project substation, located at a distance from individual turbines, is where power is pooled from all unit substations through internal transmission lines. The project substation further steps-up the voltage of pooled power and feeds it into an external transmission line which connects the project substation to the grid substation located further away. This transmission of power from the wind turbine to the grid substation results in loss of a fraction of the energy generated by wind turbines. We noted that all WRA reports except in case of Vaspet-IV estimate the Base PLF at the grid substation. Management represented that the losses considered in the WRA of Vaspet-IV are up to the grid substation, hence, no Additional Transmission Loss may be considered.

We noted that Base PLF considered in the Model for all wind power projects is based on AC capacity. For all wind power projects (except Kushtagi), we compared the Base PLF considered in the Model with the WRA reports and noted no differences. Based on their internal estimates, management has represented that for Kushtagi, Base PLF for FY20 is estimated to be lower than the Base PLF based on P75 estimates in the WRA report.

4.3 Revenue Approach / Assumptions

The Restricted Group projects have considered three possible sources of revenues:

- Sale of electricity to distribution utilities or direct sale to consumers;
- Generation based incentives (GBI) (only for select wind projects) and

4.3.1 Revenue from Sale of Electricity

The Restricted Group sells power from operational projects and proposes to sell the power from near operational projects under the following sale models:

- Sale to DISCOMs
- Direct sale to consumers

4.3.1.1 Sale to DISCOMs

SREI, Kushtagi, Vaspet-IV, Bhesada, MP Solar II and Dichipally have long-term Power Purchase Agreements (PPAs) with state DISCOMs. State DISCOMs have signed long-term PPA for tenures of 13 years (Vaspet IV), 20 years (Kushtagi, SREI (Bhakrani)) and 25 years (SREI (Sipla), Bhesada, MP Solar II and Dichipally).

PPAs for all wind power projects have been signed under the Feed-in-tariff (“FIT”) mechanism to DISCOMs. Under FIT mechanism, the tariff is fixed by state electricity regulatory commissions and the power generator is paid same tariff for the entire duration of the PPA. PPAs for MP Solar II and Dichipally have been signed through competitive bidding route under tariff based bidding. For all projects, we compared the tariff specified in the PPAs to the tariff considered in the Model and noted no differences.

4.3.1.2 Direct sale to consumers

Raichur, Ittigi, Wadgare, Nirna and Ladha have Power Purchase Agreements (PPAs) with industrial and commercial customers in Karnataka for a tenure of 8-25 years. All the projects sell power under third party open access route.

As per the PPAs, the power is sold to customers at an agreed tariff. While some PPAs do not have provisions for an increase in tariff, some PPAs have provisions for annual tariff increments. Of these, some PPAs have a provision for a pre-agreed escalation of 2-2.5% in tariff every year while some other PPAs link the increase or decrease in tariff to corresponding increase or decrease in tariff charged by DISCOM for the customers (“Grid Tariff”). For PPAs which provide escalation linked to Grid Tariff, 50-100% of the increase or decrease in Grid Tariff is passed on to the customer through a corresponding increase or decrease in tariff. The tariff to be charged by the DISCOM is approved by state electricity regulatory commissions of the respective states through periodic “Tariff Orders”. We noted that, in the tariff orders issued by KERC, the average annual increase in Grid Tariff in Karnataka over the past 5 years was approximately 5%. However, the DISCOMs in Karnataka have only petitioned for an increase in 1-1.5% in the Grid Tariff in FY20.

For selling power to end consumers, the projects have to incur certain charges like cross subsidy surcharge (wherever applicable), additional surcharge, transmission charges and losses, wheeling charges and losses, banking charges, etc. (collectively, referred to as “Open Access Charges”) to be paid to DISCOMs. These charges are also approved by the state electricity regulatory commissions.

Power sale under third party open access route in Karnataka

Open Access Charges are applicable for wind and solar based generating stations selling power under third party open access route in Karnataka. Solar power projects commissioned between 01 April, 2013 and 31 March, 2018 are exempted from Open Access Charges, Open Access Losses, as well as banking charges for a period of 10 years from the date of commissioning as per KERC order dated 18 August, 2014.

KERC issued an order on 14 May, 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The amendment of Open Access Charges and Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May, 2018, the company has assumed exemption from Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Raichur, Ittigi, Wadgare, Nirna, and Ladha.

Due to the seasonal nature and uncertainty of solar generation, it is not always possible to match the generation with offtake of energy by consumers and this may result in demand-supply mismatches – both on an intra-day basis as well as monthly / seasonal basis. For example, maximum wind generation is usually observed during the period of May-September and therefore, the generation that is not consumed / allocated to customers is ‘banked’ with the DISCOM to be consumed in the later months.

Till FY18, banking facility was provided in Karnataka over a financial year from April to March (banking period) and energy generated and banked but not consumed / allocated to customers during this period was deemed to be purchased by the DISCOM in the state of Karnataka at the rate of 85% of the latest feed-in-tariff. The feed-in-tariff is decided by the state regulator and is applicable for a particular control period.

In the order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months i.e. each year would have two banking periods – (i) April to September and (ii) October to March. Energy generated but not consumed during each six month period is deemed to be purchased by the DISCOM Payment for such energy is to be made at 85% of the latest generic tariff for solar energy. The latest generic tariff for solar energy in the state is INR 4.36 per kWh as per KERC order dated 12 April, 2017. 85% of this tariff aggregates INR 3.71 per kWh. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours.

Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, we discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. However, management has represented that considering that this matter is now reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed.

For Raichur, Ittigi, Wadgare, Nirna, and Ladha, we compared the FY20 weighted average tariff and tariff escalation represented by management with the assumptions in the Model and noted no differences. We also compared the Open Access Charges in the relevant orders issued by state electricity regulatory commissions and noted no differences.

Observations for individual projects are discussed in more detail in Section 6.

4.3.2 Income from Generation Based Incentive

We obtained the Operational Guidelines for Implementation of 'Extension Scheme for Generation Based Incentive for Grid Connected Wind Power Projects' ("Operational Guidelines") and noted the requirements for availing generation based incentives (GBI). Wind power projects commissioned between 1 April, 2012 and 31 March, 2017 (including both the dates) and selling power to DISCOMs are eligible for GBI. Wind power projects meeting the eligibility criteria have to register these projects with Indian Renewable Energy Development Agency Ltd (IREDA, a Govt. of India Enterprise and nodal agency for registering and issuance of GBI) for availing the GBI. As per GBI operational guidelines, the projects are eligible to receive GBI at a rate of INR 0.50 per kWh of electricity fed into the grid with a maximum limit of INR 10.0 million per MW. The total disbursement in the year will be limited to INR 2.5 million per MW during the first four years. This incentive is over and above the tariff approved by State Electricity Regulatory Commissions (SERCs) in various states.

We noted that the IREDA has issued GBI registration letters for Vaspet-IV, Bhesada and SREI (Sipla). We noted the GBI capacity considered in the Model is in accordance with registration letters issued to eligible capacity of these projects. Please refer Section 6 for detailed analysis of individual projects.

4.4 Operating Expenses Approach/Assumptions

The wind power projects in the Restricted Group have signed agreements for operation & maintenance (O&M) with Suzlon Global Services Limited, Enercon India Limited, and ReGen Powertech Private Limited. The solar projects in the Restricted Group have signed agreements for operation & maintenance (O&M) with ReNew Power Services Private Limited ("RPSPL"), ReNew Solar Power Private Limited ("RSPPL") and Avi Solar Energy Private Limited. We noted that the O&M contract of Ittigi with Avi Solar Energy Private Limited expired on 14 January, 2019. Management represented that O&M agreement of Ittigi is likely to be renewed by 28 February 2019. For all projects except Wadgare, Nirna, and Ladha, we compared the O&M charges considered in the Model with the management representation and noted no differences. For Wadgare, Nirna, and Ladha, we compared the O&M charges considered in the Model with the O&M contracts and noted no differences.

We noted that GST applicable on the O&M charges for all projects has been considered as per currently applicable rates.

For Bhesada, Kushtagi, and Vaspet-IV, management represented that they have adopted O&M cost equalisation. Management represented that O&M cost equalisation is an accounting principle adopted, wherein the total O&M cost for a project (excluding GST) is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the “O&M charges”. The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. We compared the O&M equalisation expense in the model with the management representation and noted no differences.

In addition to above, each of the projects have insurance and other overheads. We inquired of management about the source of these other expenses and were informed that it was based on management’s internal estimate and their experience in operating these projects. We compared these expenses considered in the Model for each project with the management representation and noted no differences.

4.5 Exclusions in the EBITDA Projections

Management represented that EBITDA projections do not consider related party payments by respective projects to Renew Power Limited under Management shared services (referred to as cross-charge) as under the terms of the proposed bond issuance, such payments will be classified as “Restricted Payments” and shall be paid out to the related party subject to the Terms and Conditions of the Notes.

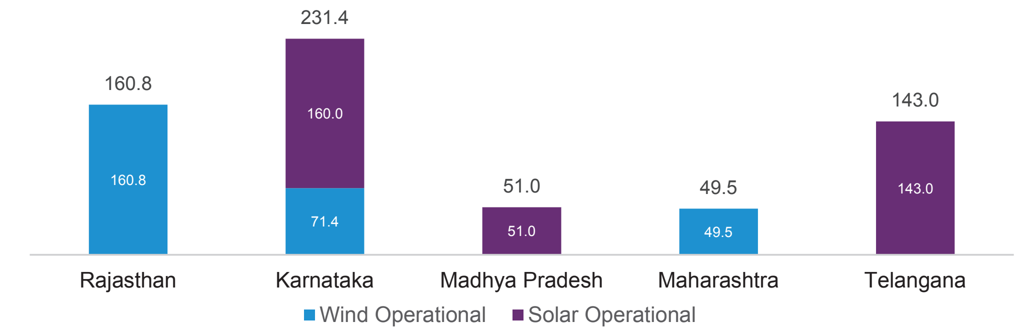
5 Restricted Group and Projections

The projections made by the Company encompass select wind and solar power projects in India, constituting 635.7 MW in operation. This set of projects is referenced as the Restricted Group. Projects covered in the Restricted Group are described in the table below

#	Type	SPV	Project Name	Location	Capacity (MW$_{AC}$)
1	Wind	Renew Wind Energy (Devgarh) Private Ltd	Vaspet IV	Maharashtra	49.5
2	Wind	Kanak Renewables Ltd	SREI (Bhakrani)	Rajasthan	52.0
			SREI (Sipla)		8.0
3	Wind	Kanak Renewables Ltd	Kushtagi	Karnataka	50.4
		Rajat Renewables Ltd			21.0
4	Wind	Renew Wind Energy (Rajasthan 3) Private Ltd	Bhesada	Rajasthan	100.8
Total Wind					**281.7**
5	Solar	ReNew Solar Energy (Telangana) Private Ltd	Dichipally	Telangana	143.0
6	Solar	Renew Clean Energy Private Ltd	MP Solar II	Madhya Pradesh	51.0
7	Solar	ReNew Saur Urja Private Ltd	Ittigi	Karnataka	50.0
8	Solar	Renew Saur Urja Private Ltd	Raichur	Karnataka	50.0
9	Solar	Renew Wind Energy (Budh 3) Private Ltd	Wadgare	Karnataka	20.0
10	Solar	Renew Wind Energy (Budh 3) Private Ltd	Nirna	Karnataka	40.0
11	Solar	Renew Wind Energy (Budh 3) Private Ltd	Ladha	Karnataka	
Total Solar					**354.0**
Grand Total					**635.7**

Projects constituting the Restricted Group are located across five states of India. Capacity distribution by states, status of project and technology is presented below:

Capacity by State (MW_{AC})



Source: Company Information

Specific observations for projects in the Restricted Group are discussed in the following section.

Based on the assumptions made by the Company in their Model, EBITDA contribution by each project and the combined EBITDA projections is provided in the table below:

			FY20 E.	
Type	**Project SPV**	**Project Name**	**INR Million**	**USD Million**
Wind	Renew Wind Energy (Rajasthan 3) Private Ltd	Bhesada	1,328.3	18.7
Wind	Kanak Renewables Ltd & Rajat Renewables Ltd	Kushtagi	594.6	8.4
Wind	Kanak Renewables Ltd	SREI	400.3	5.6
Wind	Renew Wind Energy (Devgarh) Private Ltd	Vaspet-IV	641.6	9.0
Total Wind			**2,964.8**	**41.8**
Solar	ReNew Solar Energy (Telangana) Private Ltd	Dichipally	1,496.1	21.1
Solar	ReNew Saur Urja Private Ltd	Ittigi	564.2	7.9
Solar	Renew Clean Energy Private Ltd	MP Solar II	492.3	6.9
Solar	Renew Saur Urja Private Ltd	Raichur	642.3	9.0
Solar	Renew Wind Energy (Budh 3) Private Ltd	Wadgare		
Solar	Renew Wind Energy (Budh 3) Private Ltd	Nirna	592.7	8.3
Solar	Renew Wind Energy (Budh 3) Private Ltd	Ladha		
Total Solar			**3,787.6**	**53.3**
Total EBITDA of Restricted Group			**6,752.4**	**95.1**

6 Project Level Description and Observations

The following summarizes key project assumptions underlying the Model projections, projected financials based on the assumptions and our observations related to these assumptions.

6.1 Bhesada - Renew Wind Energy (Rajasthan 3) Private Limited

6.1.1 Project Overview

Bhesada is a wind power project located in Jaisalmer district of Rajasthan. The project is held under the SPV Renew Wind Energy (Rajasthan 3) Private Limited ("RWERPL"). The project has total capacity of 100.8 MW. The project was commissioned in two phases - Phase 1 with a capacity of 50.4 MW was commissioned by 18 December, 2015, and Phase 2 with a capacity of 50.4 MW was commissioned on 22 March, 2016.

Energy generated from the operational 100.8 MW is sold to Jodhpur Vidyut Vitran Nigam Limited ("JdVVNL") under long term PPA with tenure of 25 years.

Bhesada - Renew Wind Energy (Rajasthan 3) Pvt. Ltd.	
Parameter	**Value**
Installed Capacity	100.8 MW
Procurer	Jodhpur Vidyut Vitran Nigam Limited ("JdVVNL")
Tariff	INR 5.88 per kWh*
Expiry	25 years from COD

*While the PPA tariff is INR 5.74 per kWh, the PPA also provides for 2.5% compensation towards transmission losses. As a result, company has considered a tariff of INR 5.88 per kWh in the Model.

Bhesada has executed a 20 year O&M agreement with Suzlon Global Services Limited ("SGSL") effective from commissioning of the first WTG of the project. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.1.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	26.65%	
Net Saleable Energy (Million kWh)	235.3	
Tariff (INR per kWh)	5.88	
Revenues		
Revenue from sale of power	1,383.7	19.5
Revenue from GBI	117.7	1.7

	FY20 E.	
Parameter	**INR**	**USD**
Total Revenue (Million)	**1,501.4**	**21.1**
Expenses		
O&M charges	148.6	2.1
GST on O&M Expenses	26.7	0.4
Insurance and Other overheads	17.6	0.2
O&M Equalisation	(19.9)	(0.3)
Total Expenses (Million)	**173.1**	**2.4**
EBITDA (Million)	**1,328.3**	**18.7**
EBITDA Margin (%)	88.47%	88.47%

6.1.3 Observations

- We compared the capacity and COD of Bhesada in the Model with the COD certificate issued by JdVVNL and noted no differences.
- We compared Base PLF in the Model for Bhesada with the P75 estimates outlined in WRA report prepared by Garrad Hassan for 100.8 MW project capacity. We noted that PLF considered in the Model is same as the weighted average of P75 PLF estimate of the Phase 1 and Phase 2 of the project outlined in WRA report.
- We compared the tariffs in the model and the PPAs for Bhesada and noted no differences.
- We obtained GBI registration letter from IREDA and observed that 100.8 MW is registered with IREDA. We compared the revenue from GBI considered in the Model with the management representation and noted no differences.
- We compared the O&M charges considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost.
- We noted that GST on O&M charges has been considered in the model and the GST rate has been considered as per applicable GST rate.
- Management has represented that they have adopted O&M cost equalisation for Bhesada. Management represented that O&M cost equalisation is an accounting principle adopted for the wind projects, wherein the total O&M cost for a project is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of “O&M equalisation expense” in addition to the “O&M charges”. The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. We compared the O&M equalisation expense in the model with the management representation and noted no differences.
- Management represented that they have considered INR 17.6 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.2 Kushtagi – Kanak Renewables Ltd. And Rajat Renewables Ltd.

6.2.1 Project Overview

Kushtagi is a wind power project located in Bagalkot and Koppal districts of Karnataka. The project has capacity of 71.4 MW, 50.4 MW of which is held under Kanak Renewables Ltd. (“KRL”) and 21.0 MW under Rajat Renewables Limited (“RRL”). 69.3 MW of the capacity was commissioned on 31 March, 2018 whereas 2.1 MW was commissioned on 30 June, 2018.

Energy generated from 65.1 MW of the project capacity is sold to Hubli Electricity Supply Company Limited (“HESCOM”) while the energy generated from the balance 6.3 MW of the project capacity is sold to Gulbarga Electricity Supply Company Limited (“GESCOM”), under long term PPAs with tenure of 20 years.

Kushtagi – Kanak Renewables Ltd. And Rajat Renewables Ltd.	
Parameter	**Value**
Installed Capacity	71.4 MW
Procurer	HESCOM and GESCOM
Tariff	INR 3.74 per kWh for 69.3 MW INR 3.00 per kWh for 2.1 MW **Weighted average tariff of INR 3.72 per kWh**
PPA Tenure	20 years

KRL and RRL have executed a 20 year O&M agreements with Suzlon Global Services Limited (“SGSL”) effective from commissioning date of first WTG. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management’s internal information and their experience in other similar operating projects.

6.2.2 Project Level Projections

	FY20 E.	
Parameter	**INR Million**	**USD Million**
Generation		
Base PLF (%)	29.00%	
Net Saleable Energy (Million kWh)	181.4	
Tariff (INR per kWh)	3.72	
Revenues		
Revenue from sale of power	674.4	9.5
Revenue from GBI	-	-
Total Revenue (Million)	**674.4**	**9.5**
Expenses		
O&M charges	-	-
GST on O&M charges	-	-

Parameter	FY20 E. INR Million	USD Million
Insurance and Other overheads	14.5	0.2
O&M Equalisation	65.2	0.9
Total Expenses (Million)	**79.8**	**1.1**
EBITDA (Million)	**594.6**	**8.4**
EBITDA Margin (%)	88.17%	88.17%

6.2.3 Observations

- We compared the capacity and COD of KRL and RRL in the model with the COD certificate issued by HESCOM and GESCOM and noted no differences.
- We compared Base PLF in the Model for Kushtagi with the management representation and noted no differences.
- We compared the tariffs in the model and the PPAs for Kushtagi and noted no differences.
- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost.
- We noted that GST on O&M charges has been considered in the model and the GST rate has been considered as per applicable GST rate.
- Management has represented that they have adopted O&M cost equalisation for Kushtagi. Management represented that O&M cost equalisation is an accounting principle adopted for the wind projects, wherein the total O&M cost for a project is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the "O&M charges". The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. We compared the O&M equalisation expense in the model with the management representation and noted no differences.
- Management represented that they have considered INR 14.5 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.3 SREI – Kanak Renewables Limited

6.3.1 Project Overview

SREI is a wind power project located in Jaisalmer district of Rajasthan. The project has capacity of 60.0 MW and consists of two projects SREI (Bhakrani) with a capacity of 52.0 MW and SREI (Sipla) with a capacity of 8.0 MW. SREI is held under the SPV – Kanak Renewables Limited ("KRL").

Energy generated from 52.0 MW of the project capacity is sold to Ajmer Vidyut Vitran Nigam Limited ("AVVNL") under a long term PPA with a tenure of 20 years while the energy generated from the balance 8.0 MW of the project capacity is sold Jaipur Vidyut Vitran Nigam Limited ("JVVNL") under a long term PPA with tenure of 25 years respectively.

SREI – Kanak Renewables Limited	
Parameter	**Value**
Installed Capacity	60.0 MW
Procurer	PPA for 52.0 MW with Ajmer Vidyut Vitran Nigam Limited ("AVVNL") and for 8.0 MW with Jaipur Vidyut Vitran Nigam Limited ("JVVNL")
Tariff	SREI (Bhakrani) INR 4.64 per kWh for 52.0 MW* SREI (Sipla) INR 5.39 per kWh for 8.0 MW**
Expiry	AVVNL – 20 years from COD JVVNL – 25 years from COD

*While the PPA tariff of SREI (Bhakrani) is INR 4.46 per kWh, the PPA also provides for 4.0% compensation towards transmission losses. As a result, company has considered a tariff of INR 4.64 per kWh in the Model
**While the PPA tariff of SREI (Sipla) is INR 5.18 per kWh, the PPA also provides for 4.0% compensation towards transmission losses. As a result, company has considered a tariff of INR 5.39 per kWh in the Model

SREI has executed a 10 year O&M agreement with Enercon India Limited effective from commissioning date of first WTG. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.3.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	19.62%	
Net Saleable Energy (Million kWh)	103.1	
Tariff (INR per kWh)	INR 4.64 per kWh for 52.0 MW INR 5.39 per kWh for 8.0 MW	
Revenues		
Revenue from sale of power	488.7	6.9
Revenue from GBI	6.9	0.1
Total Revenue (Million)	**495.5**	**7.0**
Expenses		
O&M charges	74.3	1.0
GST on O&M charges	13.4	0.2
Insurance and Other overheads	7.6	0.1
O&M Equalisation	-	-
Total Expenses (Million)	**95.3**	**1.3**
EBITDA (Million)	**400.3**	**5.6**
EBITDA Margin (%)	80.77%	80.77%

6.3.3 Observations

- We noted that the PPA was originally signed by India Power Corporation Ltd ('IPCL') on 31 March 2012 with AVVNL for SREI (Bhakrani) and 14 November 2012 with JVVNL for SREI (Sipla). After the transfer of SREI (Bhakrani) to KRL, the PPA was amended to replace IPCL with KRL. Management has represented that a similar amendment of the SREI (Sipla) PPA is currently ongoing. Management has also represented that as per the agreement between IPCL and ReNew Power Limited, the tariff income from the project shall be a pass-through to ReNew Power till the name change is completed.
- We compared the capacity and COD of SREI in the Model with the COD certificate issued by AVVNL, JVVNL and noted no differences.
- We compared Base PLF in the Model for SREI with the P75 estimates outlined in WRA report prepared by TUV Rheinland. We noted that PLF considered in the Model is same as the P75 estimates outlined in WRA report.
- We compared the assumption in the model with the tariff specified in the PPA and noted no differences.
- We obtained GBI registration letter from IREDA for 8.0 MW SREI (Sipla) and observed that the GBI registration has been provided in favour of IPCL. Management represented that the name change in the GBI certificate is currently ongoing. The management also represented that as per existing terms of agreement with the IPCL, the GBI income will be a pass-through to ReNew Power Limited until the name change is completed. We compared the revenue from GBI considered in the Model with the management representation and noted no differences.
- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost.
- We noted that GST on O&M charges has been considered in the model and the GST rate has been considered as per applicable GST rate.
- Management represented that they have considered INR 7.6 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.4 Vaspet-IV – Renew Wind Energy (Devgarh) Private Limited

6.4.1 Project Overview

Vaspet-IV is a wind power project located in Sangli district of Maharashtra. The project is held under the SPV Renew Wind Energy (Devgarh) Pvt Ltd ("RWEDPL"). The project has capacity of 49.5 MW and was commissioned in five phases from March 2014 to November 2014.

Energy generated from the operational 49.5 MW is sold to Maharashtra State Electricity Distribution Ltd ("MSEDCL") under long term PPA with tenure of 13 years.

Vaspet-IV – Renew Wind Energy (Devgarh) Private Limited	
Parameter	**Value**
Installed Capacity	49.5 MW
Procurer	Maharashtra State Electricity Distribution Ltd
Tariff	INR 5.81 per kWh for 40.5 MW INR 5.71 per kWh for 9.0 MW

Vaspet-IV – Renew Wind Energy (Devgarh) Private Limited	
Parameter	**Value**
	Weighted average tariff of INR 5.79 per kWh
PPA Term	13 years

Vaspet-IV has executed a 10 year O&M agreement with ReGen Powertech Private Ltd ("RPPL") effective from commissioning date of first WTG. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.4.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	25.46%	
Net Saleable Energy (Million kWh)	110.4	
Tariff (INR per kWh)	5.79	
Revenues		
Revenue from sale of power	639.2	9.0
Revenue from GBI	55.2	0.8
Total Revenue (Million)	**694.4**	**9.8**
Expenses		
O&M charges	43.3	0.6
GST on O&M charges	7.8	0.1
Insurance and Other overheads	8.4	0.1
O&M Equalisation	(6.7)	(0.1)
Total Expenses (Million)	**52.8**	**0.7**
EBITDA (Million)	**641.6**	**9.0**
EBITDA Margin (%)	92.39%	92.39%

6.4.3 Observations

- We compared the capacity and COD of Vaspet-IV in the model with the COD certificate issued by MSEDCL and noted no differences.
- We compared Base PLF in the Model for Vaspet-IV with the P75 estimates outlined in WRA report prepared by TUV Rheinland for 49.5 MW project capacity. We noted that PLF considered in the Model is same as the P75 estimates outlined in WRA report.
- We compared the tariffs in the model and the PPAs with Vaspet-IV for 49.5 MW and noted no differences.

- We obtained GBI registration letter from IREDA and observed that the project is registered with IREDA. We compared the revenue from GBI considered in the Model with the management representation and noted no differences.
- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost.
- We noted that GST on O&M charges has been considered in the model and the GST rate has been considered as per applicable GST rate.
- Management has represented that they have adopted O&M cost equalisation for Vaspet-IV. Management represented that O&M cost equalisation is an accounting principle adopted for the wind projects, wherein the total O&M cost for a project is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the "O&M charges". The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure. We compared the O&M equalisation expense in the model with the management representation and noted no differences.
- Management represented that they have considered INR 8.4 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.5 Dichipally - Renew Solar Energy (Telangana) Private Limited

6.5.1 Project Overview

Dichipally is a solar power project located in Nizamabad district of Telangana. The project is held under the SPV Renew Solar Energy (Telangana) Private Limited. ("RSETPL") with AC capacity of 143.0 MW_{AC}. The project was commissioned from April 2017 to July 2017.

Energy generated from Dichipally is sold to Northern Power Distribution Company of Telangana Limited ("TSNPDCL") with tenure of 25 years.

Dichipally - Renew Solar Energy (Telangana) Private Limited	
Parameter	**Value**
Installed Capacity (AC)	143.0 MW_{AC}
Installed Capacity (DC)	171.6 MW_{DC}
Procurer	Northern Power Distribution Company of Telangana Limited ("TSNPDCL")
Tariff	The PPA tariff is INR 5.59 per kWh (rounded off to 2 decimal places); INR 5.53 per kWh has been considered after accounting for 1% rebate
Expiry	25 years from COD

Dichipally has executed a 5 year O&M agreement with ReNew Solar Energy Private Limited ("RSEPL"), a self-owned group subsidiary effective from the date of taking over of site. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.5.2 Project Level Projections

Parameter	FY20 E. INR	USD
Generation		
Base PLF (%)	20.47%	
Net Saleable Energy (Million kWh)	299.2	
Tariff (INR per kWh)	5.53	
Revenues		
Revenue from sale of power	1,655.7	23.3
Revenue from GBI	-	-
Total Revenue (Million)	**1,655.7**	**23.3**
Expenses		
O&M charges	114.2	1.6
GST on O&M charges	20.6	0.3
Insurance and Other overheads	24.8	0.3
O&M Equalisation	-	-
Total Expenses (Million)	**159.6**	**2.2**
EBITDA (Million)	**1,496.1**	**21.1**
EBITDA Margin (%)	90.36%	90.36%

6.5.3 Observations

- We compared the AC capacity and COD of Dichipally in the Model with the COD certificate issued by TSNPDCL and noted no differences.
- Management represented that the installed DC capacity of Dichipally is 171.6 MW as against 171.8 MW considered in the PVSyst report. The management also represented that this difference is unlikely to cause any change in the P75 PLF.
- Management represented that they have considered an annual degradation factor of 0.6%. We compared the degradation factor used in the Model with the management representation and noted no differences.
- For Dichipally's capacities, we compared PLFs in the Model with the P75 estimates outlined in the PVSyst reports prepared by TUV Rheinland (India) Pvt Ltd. We noted that for FY20, P75 PLFs considered in the Model are same as the P75 estimates outlined in PVSyst reports.
- We compared the Additional Transmission Losses and Auxiliary Loss considered in the Model with the management representation and noted no differences.
- We compared the tariffs in the Model and the PPAs with TSNPDCL and noted no differences.
- A rebate of 1% is has been deducted in previous instances by TSNPDCL. Based on historical payment trends and future expectation, TSNPDCL is likely to continue deducting the rebate during FY20. The

PPA tariff of Dichipally is INR 5.59 per kWh and has been adjusted by 1% to INR 5.53 per kWh to account for the same.

- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost. Tax rate has been considered as per applicable GST rate.
- Management represented that they have considered INR 24.8 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.6 Ittigi - Renew Saur Urja Private Limited

6.6.1 Project Overview

Ittigi is a solar power project located in Bellary district of Karnataka. The project is held under the SPV Renew Saur Urja Private Limited ("RSUPL") and has an AC capacity of 50.0 MW_{AC}. The project was commissioned on 20 January, 2017.

Energy generated from Ittigi is sold to various HT Commercial and HT Industrial consumers. Separate PPAs have been signed with these consumers.

Ittigi - Renew Saur Urja Private Limited	
Parameter	**Value**
Installed Capacity (AC)	50.0 MW_{AC}
Installed Capacity (DC)	60.0 MW_{DC}
Procurer	HT Industrial and HT Commercial consumers
Tariff	Individual negotiated tariff for each consumer ranging between INR 5.00 – INR 6.85 per kWh
Expiry	8 – 10 years from commencement of supply

Ittigi executed a 2 year O&M agreement with Avi Solar Energy Pvt Ltd effective from 15 January, 2017 which expired on 14 January, 2019. Management represented that an O&M agreement will be signed by 28 February 2019. The management also represented that the O&M charges and annual escalation is likely to remain as per the previous agreement. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.6.2 Project Level Projections

Ittigi - Renew Saur Urja Private Limited	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	20.83%	
Net Saleable Energy (Million kWh)	106.7	
Tariff (INR per kWh)	5.83	

Ittigi - Renew Saur Urja Private Limited	FY20 E.	
Parameter	**INR**	**USD**
Revenues		
Revenue from sale of power	621.7	8.8
Revenue from GBI	-	-
Total Revenue (Million)	**621.7**	**8.8**
Expenses		
O&M charges	41.7	0.6
GST on O&M charges	7.5	0.1
Insurance and Other overheads	8.4	0.1
O&M Equalisation	-	-
Total Expenses (Million)	**57.6**	**0.8**
EBITDA (Million)	**564.2**	**7.9**
EBITDA Margin (%)	90.74%	90.74%

6.6.3 Observations

- We compared the AC capacity and COD of Ittigi in the Model with the COD certificate issued by GESCOM and noted no differences.
- We compared DC capacity of Ittigi with the PVSyst report and noted no differences.
- Management represented that they have considered an annual degradation factor of 0.6%. We compared the degradation factor used in the Model with the management representation and noted no differences.
- We compared the Net Saleable Energy in the Model with the energy contracted in the existing PPAs and noted that the project currently has tied up 101% of the P75 contracted capacity. As per the PPAs, RSUPL is obligated to supply 90% of estimated availability of the electricity from the contracted capacity, failing which RSUPL shall be required to compensate consumers for the shortfall.
- Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, we discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. Further, in an order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours. However, management has represented that considering that the matter is reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed.
- We compared PLFs in the Model with the P75 estimates outlined in the PVSyst reports prepared by Tata Consulting Engineers Ltd (India). We noted that for FY20, PLFs considered in the Model are same as the P75 estimates outlined in PVSyst reports.
- We compared the Auxiliary Loss and Additional Transmission Loss considered in the Model with the management representation and noted no differences.
- KERC issued an order on 14 May, 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The amendment of Open Access Charges and Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May, 2018, the company has assumed exemption from

Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Ittigi.

- We compared the net realisable tariff for the project in FY17 and annual escalation in the Model with management representation and noted no differences.
- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost. Tax rate has been considered as per applicable GST rate.
- Management represented that they have considered INR 8.4 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.7 MP Solar II - Renew Clean Energy Private Limited

6.7.1 Project Overview

MP Solar II is a solar power project located in Ashok Nagar district of Madhya Pradesh. The project is held under the SPV Renew Clean Energy Private Limited ("RCEPL") and has an AC capacity of 51.0 MW_{AC}. The project was commissioned on 1 October, 2017.

Energy generated from Project MP Solar II is sold to MP Power Management Company Limited ("MPPMCL") with tenure of 25 years.

MP Solar II - Renew Clean Energy Private Limited	
Parameter	**Value**
Installed Capacity (AC)	51.0 MW_{AC}
Installed Capacity (DC)	68.7 MW_{DC}
Procurer	MP Power Management Company Limited ("MPPMCL")
Tariff	The PPA tariff is INR 5.46 per kWh (rounded off to 2 decimal places) INR 5.41 per kWh has been considered after accounting for 1% rebate
Expiry	25 years from COD

MP Solar II has executed a 5 year O&M agreement with Renew Solar Power Private Limited ("RSPPL"), a self-owned group subsidiary effective from the date of taking over of site. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.7.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	19.34%	
Net Saleable Energy (Million kWh)	101.4	

Parameter	FY20 E. INR	USD
Tariff (INR per kWh)	5.41	
Revenues		
Revenue from sale of power	548.2	7.7
Revenue from GBI	-	-
Total Revenue (Million)	**548.2**	**7.7**
Expenses		
O&M charges	40.5	0.6
GST on O&M charges	7.3	0.1
Insurance and Other overheads	8.1	0.1
O&M Equalisation	-	-
Total Expenses (Million)	**55.9**	**0.8**
EBITDA (Million)	**492.3**	**6.9**
EBITDA Margin (%)	89.81%	89.81%

6.7.3 Observations

- We compared the AC capacity and COD of MP Solar II in the Model with the COD certificate issued by MPPTCL and noted no differences.
- For MP Solar II, management represented that the installed DC capacity of the project is 68.7 MWDC as against 68.8 MWDC considered in the PVSyst report. Management also represented that this difference is unlikely to cause any change in the P75 PLF.
- For MP Solar II, management represented that, MPPMCL has expressed intent to consider DC capacity of the project beyond the 58.6 MW_{DC} that they are currently considering, and has constituted an internal committee to further investigate the matter. Management represented that MPPMCL has requested certain information from the Company which the management has provided. Accordingly, the DC capacity in the model has been considered as 61.2 MW_{DC} in order to account for the lower payments being received from MPPMCL.
- Management represented that they have considered an annual degradation factor of 0.6%. We compared the degradation factor used in the Model with the management representation and noted no differences.
- We compared PLFs in the Model with the P75 estimates outlined in the PVSyst reports prepared by Tata Consulting Engineers Ltd (India). We noted that for PLFs considered in the Model are same as the P75 estimates outlined in PVSyst reports.
- We compared the Auxiliary Loss and Additional Transmission Loss considered in the Model with the management representation and noted no differences.
- We compared the tariffs in the Model and the PPAs with MPPMCL and noted no differences.
- A rebate of 1% is deducted by MPPMCL on the invoice value. Based on historical payment trends, MPPMCL is likely to continue deducting the rebate during FY20. The PPA tariff of MP Solar II is INR 5.46 per kWh and has been adjusted by 1% to INR 5.41 per kWh to account for the same.
- We compared the O&M cost considered in the Model with the management representation and noted no differences. We noted that taxes applicable on the O&M cost has been considered in the model in addition to the O&M cost. Tax rate has been considered as per applicable GST rate.

* Management represented that they have considered INR 8.1 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.8 Raichur – Renew Saur Urja Private Limited

6.8.1 Project Overview

Raichur is a solar power project located in Raichur district of Karnataka. The project is held under the SPV Renew Saur Urja Private Limited ("RSUPL") and has an AC capacity of 50.0 MW_{AC}. The project was commissioned on 26 May, 2017.

Energy generated from Raichur is sold to various HT Commercial and HT Industrial consumers. Separate PPAs have been signed with these consumers.

Raichur - Renew Saur Urja Private Limited	
Parameter	**Value**
Installed Capacity (AC)	50.0 MW_{AC}
Installed Capacity (DC)	60.0 MW_{DC}
Procurer	HT Industrial and HT Commercial consumers
Tariff	Individual negotiated tariff for each consumer ranging between INR 4.59 – INR 8.00 per kWh
Expiry	8 – 12 years from commencement of supply

Raichur has executed a 5 year O&M agreement with Renew Power Services Private Limited ("RPSPL"), a self-owned group subsidiary effective from 1 April, 2018. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.8.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	21.61%	
Net Saleable Energy (Million kWh)	111.4	
Tariff (INR per kWh)	6.25	
Revenues		
Revenue from sale of power	696.4	9.8
Revenue from GBI	-	-
Total Revenue (Million)	**696.4**	**9.8**

Parameter	FY20 E. INR	USD
Expenses		
O&M charges	39.7	0.6
GST on O&M charges	7.1	0.1
Insurance and Other overheads	7.3	0.1
O&M Equalisation	-	-
Total Expenses (Million)	**54.2**	**0.8**
EBITDA (Million)	**642.3**	**9.0**
EBITDA Margin (%)	92.22%	92.22%

6.8.3 Observations

- We compared the AC capacity and COD of Raichur in the Model with the COD certificate issued by GESCOM and noted no differences.
- We compared DC capacity of Raichur with the PVSyst report and noted no differences.
- Management represented that they have considered an annual degradation factor of 0.6%. We compared the degradation factor used in the Model with the management representation and noted no differences.
- We compared PLFs in the Model with the P75 estimates outlined in the PVSyst reports prepared by TUV Rheinland (India) Pvt Ltd. We noted that for FY20, PLFs considered in the Model are same as the P75 estimates outlined in PVSyst reports.
- The project currently has 95% of its Net Saleable Energy tied up under third party open access route PPA.
- Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, we discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. Further, in an order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours. However, management has represented that considering that the matter is reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed.
- We compared the Auxiliary Loss and Additional Transmission Loss considered in the Model with the management representation and noted no differences.
- KERC issued an order on 14 May, 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The amendment of Open Access Charges and Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May, 2018, the company has assumed exemption from Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Raichur.
- We compared the net realisable tariff for the project in FY19 and annual escalation in the Model with PPA and noted no differences.
- We compared the O&M cost considered in the Model with the price mentioned in the O&M contract. We noted that in calculation of O&M charges in the Model, taxes have been considered in addition to

the O&M cost, as O&M cost mentioned in the O&M agreement does not include applicable taxes. Tax rate has been considered as per applicable GST rate.

- Management represented that they have considered INR 7.3 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

6.9 Wadgare, Nirna, and Ladha – Renew Wind Energy (Budh 3) Private Limited

6.9.1 Project Overview

Wadgare, Nirna, and Ladha (WNL) are solar power projects located in Bidar and Yadgir district of Karnataka. The projects are held under the SPV Renew Wind Energy (Budh 3) Private Limited ("RWEBPL") and have an AC capacity of 20.0 MW_{AC} each. The projects Wadgare, Nirna, and Ladha were commissioned on 30 December, 2017, 09 March, 2018, and 16 March, 2018 respectively.

Energy generated from WNL is sold to various HT Commercial and HT Industrial consumers. Separate PPAs have been signed with these consumers.

Wadgare Nirna Ladha – Renew Wind Energy (Budh 3) Private Limited	
Parameter	**Value**
Installed Capacity (AC)	60.0 MW_{AC}
Installed Capacity (DC)	75.0 MW_{DC}
Procurer	HT Industrial and HT Commercial consumers
Tariff	Individual negotiated tariff for each consumer ranging between INR 4.40 – INR 8.61 per kWh
Expiry	10 years from commencement of supply*

* While one (1) PPA has a tenure of 25 years from commencement of supply, tariff as per the PPA is applicable for 10 years only. After 10 years, the tariff shall be agreed based on mutual agreement failing which the PPA may be terminated

WNL has executed a 5 year O&M agreement with Renew Power Services Private Limited ("RPSPL"), a self-owned group subsidiary effective from 1 April, 2018. In addition there are insurance and other overheads and applicable GST on O&M charges. We inquired management about the source of these other expenses and were informed that they were based on management's internal information and their experience in other similar operating projects.

6.9.2 Project Level Projections

	FY20 E.	
Parameter	**INR**	**USD**
Generation		
Base PLF (%)	19.71% for Nirna and Ladha 21.62% for Wadgare	
Net Saleable Energy (Million kWh)	86.6 for Nirna and Ladha	

Parameter	FY20 E. INR	USD
Tariff (INR per kWh)	44.7 for Wadgare 5.01	
Revenues		
Revenue from sale of power	658.5	9.3
Revenue from GBI	-	-
Total Revenue (Million)	**658.5**	**9.3**
Expenses		
O&M charges	46.7	0.7
GST on O&M charges	6.4	0.1
Insurance and Other overheads	12.7	0.2
O&M Equalisation	-	-
Total Expenses (Million)	**65.8**	**0.9**
EBITDA (Million)	**592.7**	**8.3**
EBITDA Margin (%)	90.00%	90.00%

6.9.3 Observations

- We compared the AC capacity and COD of WNL in the Model with the COD certificate issued by KPTCL and noted no differences.
- The combined installed AC capacity of Wadgare, Nirna, and Ladha is 60.0 MWAC as against 60.6 MWAC considered in the PVSyst reports. Management represented that the combined installed DC capacity of Wadgare, Nirna, and Ladha is 75.0 MWDC as against 75.1 MWDC considered in the PVSyst reports. The management also represented that this difference is unlikely to cause any change in the P75 PLF.
- Management represented that they have considered an annual degradation factor of 0.6%. We compared the degradation factor used in the Model with the management representation and noted no differences.
- We compared PLFs in the Model with the P75 estimates outlined in the PVSyst reports prepared by TUV Rheinland (India) Pvt Ltd. We noted that for FY20, PLFs considered in the Model are same as the P75 estimates outlined in PVSyst reports.
- The project currently has 99% of its Net Saleable Energy tied up under third party open access route PPA.
- Considering the seasonal generation pattern and tenure of banking period allowed under the regulations, we discussed with management, the possibility of lapse of banked energy that could result in loss of revenues. Further, in an order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours. However, management has represented that considering that the matter is reserved for final order pronouncement by APTEL and until then there is an interim stay, no lapse of banked energy has been assumed.
- We compared the Auxiliary Loss and Additional Transmission Loss considered in the Model with the management representation and noted no differences.

- KERC issued an order on 14 May, 2018 levying certain Open Access Charges and Open Access Losses on solar power projects commissioned after 31 March 2017. The amendment of Open Access Charges and Losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May, 2018, the company has assumed exemption from Open Access Charges and Open Access Losses as per KERC order dated 18 August, 2014 for energy sold to customers from Wadgare, Nirna, and Ladha.
- We compared the net realisable tariff for the project in FY19 and annual escalation in the Model with management representation and noted no differences.
- We compared the O&M cost considered in the Model with the price mentioned in the O&M contract. We noted that in calculation of O&M charges in the Model, taxes have been considered in addition to the O&M cost, as O&M cost mentioned in the O&M agreement does not include applicable taxes. Tax rate has been considered as per applicable GST rate.
- Management represented that they have considered INR 12.7 Million as insurance and other overheads for FY20. We compared the assumption in the Model with the management representation and noted no differences.

A Appendix 1: Project-wise dates of commissioning

#	Type	SPV	Project Name	Location	Capacity (MW)	Commercial Operation Date[2]
1	Wind	Renew Wind Energy (Devgarh) Private Ltd	Vaspet-IV	Maharashtra	49.5	11 November, 2014
2	Wind	Kanak Renewables Ltd	SREI (Bhakrani)	Rajasthan	52.0	25 March, 2012
			SREI (Sipla)		8.0	5 January, 2013
3	Wind	Kanak Renewables Ltd	Kushtagi	Karnataka	50.4	30 June, 2018
		Rajat Renewables Ltd			21.0	31 March, 2018
4	Wind	Renew Wind Energy (Rajasthan 3) Private Ltd	Bhesada	Rajasthan	100.8	22 March, 2016
Total Wind					**281.7**	
5	Solar	ReNew Solar Energy (Telangana) Private Ltd	Dichipally	Telangana	143.0	12 July, 2017
6	Solar	Renew Clean Energy Private Ltd	MP Solar II	Madhya Pradesh	51.0	1 October, 2017
7	Solar	ReNew Saur Urja Private Ltd	Ittigi	Karnataka	50.0	20 January, 2017
8	Solar	Renew Saur Urja Private Ltd	Raichur	Karnataka	50.0	26 May, 2017
9	Solar	Renew Wind Energy (Budh 3) Private Ltd	Wadgare	Karnataka	20.0	30 December, 2017
10	Solar	Renew Wind Energy (Budh 3) Private Ltd	Nirna	Karnataka	40.0	9 March, 2018
11	Solar	Renew Wind Energy (Budh 3) Private Ltd	Ladha	Karnataka		16 March, 2018
Total Solar					**354.0**	
Grand Total					**635.7**	

[2] Considering CoD of the last turbine for wind power projects

B Appendix 2: Management Representation

ReNew POWER

22 February 2019

KPMG India Private Limited
Lodha Excelus,
Apollo Mills Compound,
NM Joshi Marg,
Mahalaxmi,
Mumbai 400 011

Subject: Management representation on some of the assumptions used in the financial model for projecting EBITDA for FY2019-20 ("FY20") of certain subsidiaries of ReNew Power Limited.

Dear Sirs,

This representation letter is provided in connection with your engagement on "Preparation of Consultant's Report" for certain subsidiaries of ReNew Power Limited which are proposing to raise USD Bonds. Few of the assumptions provided in the financial model are based on management inputs.

Accordingly, ReNew Power Limited makes the representation on such assumptions as listed below, which are true to the best of our knowledge as of 31 December, 2018.

Losses and annual degradation factor

— The following losses have been considered for various projects:

Project	Additional Transmission Loss (to the extent not considered in the resource assessment reports)	Auxiliary Loss (to the extent not considered in the resource assessment reports)
Dichipally	0.50%	0.50%
Ittigi	0.25%	0.50%
MP Solar II	0.50%	0.50%
Raichur	0.25%	0.50%
Wadgare Nirna, Ladha	0.50%	0.50%
Vaspet-IV	0.00%	NA*

*For Vaspet-IV, Auxiliary Loss has been considered in the resource assessment report

— For solar projects, annual output degradation factor of 0.60% has been considered from the second financial year of operation, except for Dichipalli, where the annual output degradation factor of 0.60% has been considered from the first financial year of operation on a conservative basis.

O&M charges

— For all wind power projects except SREI, O&M cost equalization has been adopted. O&M cost equalization is an accounting principle adopted for the wind projects, wherein the total O&M cost for a project is kept constant every year for the tenure during which there is an O&M contract with an O&M vendor in place. This is achieved by adding an additional line item in the income statement by the name of "O&M equalisation expense" in addition to the "O&M charges". The O&M equalisation expense for a particular year is calculated by taking the difference of the average O&M charges across the years for which there is an O&M contract in place, and the actual O&M charges for that particular year. By doing so, the total O&M

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ReNew POWER

cost, which is the sum of the O&M charges and O&M equalisation expense, is maintained at a constant level every year for the duration of the O&M tenure.

— O&M Charges for all the projects except Nirna, Ladha, and Wadgare have been considered based on the historical track record and future expectation of operations and maintenance expenditure to be incurred on a steady state basis:

O&M charges (INR million)				
Project	O&M charges likely in FY20 (A)	Whether O&M cost equalisation is done	O&M equalization (B)	O&M expenses likely in FY20 after equalization (A+B)
Bhesada	148.6	Yes	-19.9	128.7
Dichipally	114.2	No	-	114.2
Ittigi	41.7	No	-	41.7
Kushtagi	0.0	Yes	65.2	65.2
MP Solar II	40.5	No	-	40.5
Raichur	39.7	No	-	39.7
SREI	74.3	No	-	74.3
Vaspet-IV	43.3	Yes	-6.7	36.6

— In Kushtagi, the free O&M period is likely to end in FY21, however, the full O&M charges have been considered starting from FY22.

Insurance and other overheads

— Insurance and other overheads for all the projects have been considered as provided in the following table.

Insurance and other overheads (INR million)	
Project	FY20
Bhesada	17.6
Dichipally	24.8
Ittigi	8.4
Kushtagi	14.5
Ladha, Nirna, and Wadgare	12.7
MP Solar II	8.1
Raichur	7.3
SREI	7.6
Vaspet-IV	8.4

Exclusions in the EBITDA Projections

— The EBITDA projections do not consider related party payments by respective projects to Renew Power Limited under Management shared services (referred to as cross-charge) as under the terms of the proposed bond issuance, such payments will be classified as "Restricted Payments" and can only be paid out to the related party subject to the Terms and Conditions of the Notes.

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Open Access Charges and Losses

— KERC issued an order on 14 May 2018 levying certain open access charges and losses on solar power projects commissioned after 31 March 2017. The levy of such charges and losses was challenged by affected power producers before the Karnataka High Court. Following petitions filed by the power producers, Karnataka High Court has stayed the implementation of the above KERC order. The final order by Karnataka High Court in the matter is awaited. Considering the stay imposed on the KERC order dated 14 May 2018, the company has assumed exemption from such charges and losses as per KERC order dated 18 August, 2014 for energy sold to customers from Raichur, Ittigi, Wadgare, Nirna, and Ladha.

Banking and Lapse of Banked Energy

— In the order dated 9 January 2018, KERC specified that banking period for solar power projects would be reduced to six months. Energy generated but not consumed during each six month period is deemed to be purchased by the DISCOM and payment for such energy is to be made at 85% of the latest generic tariff for solar and wind energy. In the order, KERC also specified that energy banked in the non-peak hours as per the KERC Tariff Orders cannot be consumed during the peak hours. Considering that the matter is reserved for final order pronouncement by APTEL and until then there is an interim stay, we have not assumed any lapse of banked energy

Bhesada

— Estimated GBI Income in FY20 is INR 117.7 million considering 100.8 MW capacity is registered for GBI.

Dichipally

— A rebate of 1% has been deducted in previous instances by Northern Power Distribution Company of Telangana Limited (TSNPDCL). Based on historical payment trends and future expectation, TSNPDCL is likely to continue deducting the rebate during FY20. The PPA tariff of Dichipally is INR 5.59 per kWh has been adjusted by 1% to INR 5.53 per kWh to account for the same.

— The installed DC capacity of Dichipally is 171.6 MW_{DC} as against 171.8 MW_{DC} considered in the PVSyst report. This difference is unlikely to cause any change in the P75 PLF.

Ittigi

— Weighted average tariff for FY17 was INR 5.41 per kWh. Some PPAs have a provision for a pre-agreed escalation of 0-2.5% in PPA tariff every year. In some other PPAs, increase or decrease in tariff is equal to 65-75% of corresponding increase or decrease in tariff charged by DISCOM to the customers. An annual escalation of 2.5% has been considered for estimating tariff for FY20, based on HT tariff escalations in the previous years which has been higher than 2.5%.

— O&M contract of Ittigi expired on 14 January 2019 and a fresh O&M contract is expected to be signed by 28 February, 2018. The O&M charges and annual escalation are likely to remain in line with the previous contract.

Kustagi

— The P75 PLF of Kushtagi as per WRA is 29.39%. However, a PLF of 29.00% has been considered in FY20 on a conservative basis.

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MP Solar II

— A rebate of 1% is deducted by MP Power Management Company Limited (MPPMCL) on the invoice value. Based on historical payment trends, MPPMCL is likely to continue deducting the rebate during FY20. The PPA tariff of MP Solar II is INR 5.46 per kWh has been adjusted by 1% to INR 5.41 per kWh to account for the same.

— For MP Solar II, the installed DC capacity of the project is 68.7 MW_{DC} as against 68.8 MW_{DC} considered in the PVSyst report. However, this difference is unlikely to cause any change in the P75 PLF.

— MPPMCL has expressed intent to consider DC capacity of the project in MPERC beyond the 58.6 MW_{DC} that they are currently considering, and has constituted an internal committee to further investigate the matter. MPPMCL has requested certain information from the Company which the management has provided. Accordingly, the DC capacity in the model has been considered as 61.2 MW_{DC} in order to account for the lower payments being received from MPPMCL.

Raichur

— Weighted average tariff for FY19 was INR 6.10 per kWh. Some PPAs have a provision for a pre-agreed escalation of 0-2.5% in PPA tariff every year. In some other PPAs, increase or decrease in tariff is equal to 50-100% of corresponding increase or decrease in tariff charged by DISCOM for the customers. An annual escalation of 2.5% has been considered for estimating tariff for FY20, based on HT tariff escalations in the previous years which has been higher than 2.5%.

SREI

— The existing PPA for SREI (Sipla) is between India Power Corporation Limited (the previous owner of the project) and Jaipur Vidyut Vitran Nigam Limited (utility). Likewise, the GBI registration has also been provided in favour of India Power Corporation Limited. The process of name change in the PPA and the GBI certificate is currently on-going. As per the agreement between India Power Corporation Limited and ReNew Power Limited, the GBI and tariff income from the project shall be a pass-through to ReNew Power Limited till the name change is completed.

— Estimated GBI Income in FY20 is INR 6.9 million considering 8 MW capacity of SREI (Sipla) is registered for GBI.

Vaspet-IV

— Estimated GBI Income in FY20 is INR 55.2 million considering 49.5 MW capacity is registered for GBI.

Wadgare, Nirna and Ladha

— PVSyst report, O&M agreement, COD certificate, Wheeling and banking agreement, and some PPAs of Ladha refer to the same project as 'Eklara'.

— Weighted average tariff of Wadgare, Ladha and Nirna for FY19 was INR 4.89 per kWh. Some PPAs have a provision for a pre-agreed escalation of 0-2.5% in PPA tariff every year. In some other PPAs, increase or decrease in tariff is equal to 50-100% of corresponding increase or decrease in tariff charged by DISCOM for the customers. An annual escalation of 2.5% has been considered for estimating tariff for FY20, based on HT tariff escalations in the previous years which has been higher than 2.5%

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— The combined installed DC capacity of Wadgare, Nirna, and Ladha, is 75.0 MW as against 75.1 MW considered in the PVSyst reports, and the combined installed AC capacity is 60.0 MW as against 60.6 MW considered in the PVSyst reports. This difference is unlikely to cause any change in the P75 PLF.

Stamp and signature

RENEW POWER LIMITED

Name: Kailash Vaswani

Designation: Deputy CFO, ReNew Power Limited

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APPENDIX B – INFORMATION REGARDING THE NOTES FOR PURPOSES OF RBI LOAN REGISTRATION NUMBERS

Each Co-Issuer will act as a primary obligor in respect of the principal amount of the part of the Notes set out below and as a guarantor in respect of the balance. The rate of interest on the principal amount of the part of the Notes in respect of which the Co-Issuer is acting as a primary obligor (and not as a guarantor) is set out below. Any partial early redemption, repurchase or repayment of Notes will be on a pro rata basis based on the principal amounts of Notes in respect of which each Co-Issuer acts as a primary obligor.

Co-Issuer	Primary Obligation (in USD)	Rate of Interest	Expected interest cost on an annualised basis (rounded down to second decimal place)
Notes (Other than Original Notes)			
ReNew Clean Energy Private Limited......	23,500,000.00	6.67%** per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,567,450.00
ReNew Saur Urja Private Limited......	6,790,000.00	6.67%** per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	452,893.00
ReNew Solar Energy (Telangana) Private Limited.................	11,800,000.00	6.67%** per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	787,060.00
ReNew Wind Energy (Budh 3) Private Limited.................	17,000,000.00	6.67%** per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,133,900.00
ReNew Wind Energy (Devgarh) Private Limited.................	910,000.00	6.67%** per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	60,697.00

** Interest will be paid on such Notes, as if such Notes were issued on the Original Issue Date.

Co-Issuer	Primary Obligation (in USD)	Rate of Interest	Expected interest cost on an annualised basis (rounded down to second decimal place)
Original Notes			
Kanak Renewables Limited.................	20,931,345.07	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,437,983.40
Rajat Renewables Limited.................	3,379,904.34	6.86951800%* per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	232,183.13*

Co-Issuer	Primary Obligation (in USD)	Rate of Interest	Expected interest cost on an annualised basis (rounded down to second decimal place)
ReNew Clean Energy Private Limited.......	22,212,200.00	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,525,978.14
ReNew Saur Urja Private Limited......	69,799,059.93	6.86% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	4,788,215.51
ReNew Solar Energy (Telangana) Private Limited.................	80,505,875.58	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	5,530,753.65
ReNew Wind Energy (Budh 3) Private Limited.................	29,171,615.08	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	2,004,089.95
ReNew Wind Energy (Devgarh) Private Limited.................	31,712,852.30	6.52% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	2,067,677.96
ReNew Wind Energy (Devgarh) Private Limited.................	15,677,147.70	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,077,020.04
ReNew Wind Energy (Rajasthan 3) Private Limited......	78,025,774.08	6.06% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	4,728,361.90
ReNew Wind Energy (Rajasthan 3) Private Limited......	23,584,225.92	6.87% per annum, payable semi-annually in arrears on each March 12, and September 12, commencing on September 12, 2019	1,620,236.32

* Subject to any final adjustments that may be required in respect of obtaining the RBI Loan Registration Numbers and filing the Form ECBs.

APPENDIX C – REPAYMENT SCHEDULES OF CERTAIN EXISTING INDEBTEDNESS

Facility of Rs.2,600 million from YES Bank Limited and IFCI Limited – Renew Saur Urja Private Limited

Date	Repayment
31-Dec-17	0.70%
31-Mar-18	0.75%
30-Jun-18	1.25%
30-Sep-18	1.00%
31-Dec-18	0.85%
31-Mar-19	0.90%
30-Jun-19	1.25%
30-Sep-19	1.25%
31-Dec-19	1.25%
31-Mar-20	1.25%
30-Jun-20	1.15%
30-Sep-20	1.00%
31-Dec-20	1.00%
31-Mar-21	1.45%
30-Jun-21	1.75%
30-Sep-21	1.00%
31-Dec-21	1.00%
31-Mar-22	1.75%
30-Jun-22	1.50%
30-Sep-22	1.25%
31-Dec-22	0.80%
31-Mar-23	1.80%
30-Jun-23	2.50%
30-Sep-23	1.00%
31-Dec-23	0.86%
31-Mar-24	1.95%
30-Jun-24	2.60%
30-Sep-24	0.98%
31-Dec-24	0.98%
31-Mar-25	2.25%
30-Jun-25	3.00%
30-Sep-25	0.98%
31-Dec-25	0.98%
31-Mar-26	2.48%
30-Jun-26	3.35%
30-Sep-26	1.16%
31-Dec-26	1.16%
31-Mar-27	2.70%
30-Jun-27	3.65%
30-Sep-27	1.28%
31-Dec-27	1.28%
31-Mar-28	2.85%
30-Jun-28	3.85%
30-Sep-28	1.35%
31-Dec-28	1.35%
31-Mar-29	3.15%
30-Jun-29	4.25%
30-Sep-29	1.50%
31-Dec-29	1.50%
31-Mar-30	3.14%
30-Jun-30	4.25%
30-Sep-30	1.50%
31-Dec-30	3.32%
31-Mar-31	3.47%
30-Jun-31	3.48%

Facilities of Rs.2,288.20 million from YES Bank Limited – Renew Saur Urja Private Limited

Date	Repayment
31-Oct-18	1.20%
31-Jan-19	1.20%
30-Apr-19	1.20%
31-Jul-19	1.20%
31-Oct-19	1.20%
31-Jan-20	1.20%
30-Apr-20	1.20%
31-Jul-20	1.20%
31-Oct-20	1.30%
31-Jan-21	1.30%
30-Apr-21	1.30%
31-Jul-21	1.40%
31-Oct-21	1.40%
31-Jan-22	1.40%
30-Apr-22	1.50%
31-Jul-22	1.50%
31-Oct-22	1.60%
31-Jan-23	1.60%
30-Apr-23	1.80%
31-Jul-23	1.80%
31-Oct-23	1.80%
31-Jan-24	1.80%
30-Apr-24	1.80%
31-Jul-24	1.80%
31-Oct-24	1.80%
31-Jan-25	1.80%
30-Apr-25	1.80%
31-Jul-25	1.80%
31-Oct-25	1.80%
31-Jan-26	1.80%
30-Apr-26	1.80%
31-Jul-26	1.80%
31-Oct-26	1.80%
31-Jan-27	1.80%
30-Apr-27	1.80%
31-Jul-27	1.80%
31-Oct-27	1.80%
31-Jan-28	1.80%
30-Apr-28	2.00%
31-Jul-28	2.00%
31-Oct-28	2.00%
31-Jan-29	2.00%
30-Apr-29	2.00%
31-Jul-29	2.00%
31-Oct-29	2.00%
31-Jan-30	2.00%
30-Apr-30	2.35%
31-Jul-30	2.35%
31-Oct-30	2.40%
31-Jan-31	2.40%
30-Apr-31	2.40%
31-Jul-31	2.40%
31-Oct-31	2.40%
31-Jan-32	2.40%
30-Apr-32	2.50%
31-Jul-32	2.50%

Facilities of Rs.7,856.90 million from YES Bank Limited, State Bank of India and Punjab & Sind Bank – Renew Solar Energy (Telangana) Private Limited

Date	Repayment
31-Mar-18	0.60%
30-Jun-18	0.15%
30-Sep-18	0.15%
31-Dec-18	0.15%
31-Mar-19	0.25%
30-Jun-19	0.25%
30-Sep-19	0.25%
31-Dec-19	0.25%
31-Mar-20	4.25%
30-Jun-20	1.25%
30-Sep-20	1.00%
31-Dec-20	1.00%
31-Mar-21	0.85%
30-Jun-21	1.20%
30-Sep-21	1.15%
31-Dec-21	1.00%
31-Mar-22	1.00%
30-Jun-22	1.25%
30-Sep-22	1.10%
31-Dec-22	1.10%
31-Mar-23	1.02%
30-Jun-23	1.50%
30-Sep-23	1.15%
31-Dec-23	1.10%
31-Mar-24	1.00%
30-Jun-24	2.30%
30-Sep-24	1.00%
31-Dec-24	1.00%
31-Mar-25	0.75%
30-Jun-25	1.54%
30-Sep-25	1.30%
31-Dec-25	1.40%
31-Mar-26	1.10%
30-Jun-26	1.70%
30-Sep-26	1.40%
31-Dec-26	1.40%
31-Mar-27	1.20%
30-Jun-27	2.00%
30-Sep-27	1.50%
31-Dec-27	1.50%
31-Mar-28	1.06%
30-Jun-28	2.30%
30-Sep-28	2.17%
31-Dec-28	1.30%
31-Mar-29	0.75%
30-Jun-29	2.35%
30-Sep-29	1.80%
31-Dec-29	1.80%
31-Mar-30	1.00%
30-Jun-30	2.90%
30-Sep-30	1.75%

Date	Repayment
31-Dec-30	1.75%
31-Mar-31	1.05%
30-Jun-31	3.10%
30-Sep-31	2.00%
31-Dec-31	1.90%
31-Mar-32	1.00%
30-Jun-32	3.25%
30-Sep-32	2.30%
31-Dec-32	2.00%
31-Mar-33	1.00%
30-Jun-33	3.50%
30-Sep-33	2.50%
31-Dec-33	1.40%
31-Mar-34	1.15%
30-Jun-34	1.36%
30-Sep-34	2.00%
31-Dec-34	2.00%
31-Mar-35	2.50%

Facilities of Rs.1,021.48 million from YES Bank Limited – Renew Wind Energy (Budh 3) Private Limited

Date	Repayment
31-Mar-19	3.35%
30-Jun-19	1.05%
30-Sep-19	1.00%
31-Dec-19	1.00%
31-Mar-20	1.00%
30-Jun-20	1.20%
30-Sep-20	1.15%
31-Dec-20	1.15%
31-Mar-21	1.15%
30-Jun-21	1.35%
30-Sep-21	1.35%
31-Dec-21	1.35%
31-Mar-22	1.25%
30-Jun-22	1.45%
30-Sep-22	1.45%
31-Dec-22	1.45%
31-Mar-23	1.40%
30-Jun-23	1.65%
30-Sep-23	1.65%
31-Dec-23	1.65%
31-Mar-24	1.55%
30-Jun-24	1.85%
30-Sep-24	1.80%
31-Dec-24	1.80%
31-Mar-25	1.80%
30-Jun-25	2.10%
30-Sep-25	2.00%
31-Dec-25	2.00%
31-Mar-26	2.00%
30-Jun-26	2.25%
30-Sep-26	2.25%

Date	Repayment
31-Dec-26	2.25%
31-Mar-27	2.25%
30-Jun-27	2.20%
30-Sep-27	2.20%
31-Dec-27	2.20%
31-Mar-28	2.20%
30-Jun-28	1.05%
30-Sep-28	1.05%
31-Dec-28	1.05%
31-Mar-29	1.00%
30-Jun-29	1.10%
30-Sep-29	1.10%
31-Dec-29	1.10%
31-Mar-30	1.10%
30-Jun-30	1.15%
30-Sep-30	1.15%
31-Dec-30	1.15%
31-Mar-31	1.15%
30-Jun-31	1.25%
30-Sep-31	1.20%
31-Dec-31	1.20%
31-Mar-32	1.20%
30-Jun-32	1.30%
30-Sep-32	1.30%
31-Dec-32	1.30%
31-Mar-33	1.20%
30-Jun-33	1.35%
30-Sep-33	1.35%
31-Dec-33	1.35%
31-Mar-34	1.30%
30-Jun-34	1.20%
30-Sep-34	1.20%
31-Dec-34	1.20%
31-Mar-35	1.20%
30-Jun-35	4.00%

Facilities of Rs.2,041.56 million from YES Bank Limited – Renew Wind Energy (Budh 3) Private Limited

Date	Repayment
31-Mar-19	3.40%
30-Jun-19	1.10%
30-Sep-19	1.00%
31-Dec-19	1.00%
31-Mar-20	1.00%
30-Jun-20	1.25%
30-Sep-20	1.15%
31-Dec-20	1.15%
31-Mar-21	1.15%
30-Jun-21	1.40%
30-Sep-21	1.30%
31-Dec-21	1.30%
31-Mar-22	1.30%
30-Jun-22	1.55%

Date	Repayment
30-Sep-22	1.40%
31-Dec-22	1.40%
31-Mar-23	1.40%
30-Jun-23	1.60%
30-Sep-23	1.55%
31-Dec-23	1.55%
31-Mar-24	1.55%
30-Jun-24	1.85%
30-Sep-24	1.70%
31-Dec-24	1.70%
31-Mar-25	1.70%
30-Jun-25	2.00%
30-Sep-25	1.90%
31-Dec-25	1.90%
31-Mar-26	1.90%
30-Jun-26	2.25%
30-Sep-26	2.10%
31-Dec-26	2.10%
31-Mar-27	2.10%
30-Jun-27	2.35%
30-Sep-27	2.35%
31-Dec-27	2.35%
31-Mar-28	2.35%
30-Jun-28	1.15%
30-Sep-28	1.10%
31-Dec-28	1.10%
31-Mar-29	1.10%
30-Jun-29	1.30%
30-Sep-29	1.15%
31-Dec-29	1.15%
31-Mar-30	1.15%
30-Jun-30	1.40%
30-Sep-30	1.20%
31-Dec-30	1.20%
31-Mar-31	1.20%
30-Jun-31	1.35%
30-Sep-31	1.30%
31-Dec-31	1.30%
31-Mar-32	1.30%
30-Jun-32	1.50%
30-Sep-32	1.35%
31-Dec-32	1.35%
31-Mar-33	1.35%
30-Jun-33	1.50%
30-Sep-33	1.45%
31-Dec-33	1.45%
31-Mar-34	1.45%
30-Jun-34	1.50%
30-Sep-34	1.50%
31-Dec-34	1.50%
31-Mar-35	1.50%
30-Jun-35	1.05%

Facilities of Rs.5,577.20 million from YES Bank Limited – Kanak and Rajat Renewables Limited

Date	Kanak Facility 1 and Rajat Facility 1	Kanak Facility 2 and Rajat Facility 2
30-Jun-19	0.50%	0.50%
30-Sep-19	0.50%	0.50%
31-Dec-19	0.50%	1.00%
31-Mar-20	1.00%	0.50%
30-Jun-20	1.15%	1.15%
30-Sep-20	1.35%	1.15%
31-Dec-20	1.35%	1.15%
31-Mar-21	1.40%	1.35%
30-Jun-21	1.00%	1.05%
30-Sep-21	1.00%	1.00%
31-Dec-21	1.05%	1.05%
31-Mar-22	1.05%	1.05%
30-Jun-22	1.15%	1.15%
30-Sep-22	1.05%	1.05%
31-Dec-22	1.05%	1.10%
31-Mar-23	1.05%	1.10%
30-Jun-23	1.25%	1.25%
30-Sep-23	1.10%	1.10%
31-Dec-23	1.10%	1.10%
31-Mar-24	1.15%	1.15%
30-Jun-24	1.20%	1.20%
30-Sep-24	1.20%	1.20%
31-Dec-24	1.20%	1.20%
31-Mar-25	1.30%	1.20%
30-Jun-25	1.35%	1.35%
30-Sep-25	1.25%	1.25%
31-Dec-25	1.25%	1.25%
31-Mar-26	1.30%	1.30%
30-Jun-26	1.40%	1.25%
30-Sep-26	1.40%	1.25%
31-Dec-26	1.40%	1.30%
31-Mar-27	1.40%	1.25%
30-Jun-27	1.55%	1.55%
30-Sep-27	1.45%	1.40%
31-Dec-27	1.40%	1.40%
31-Mar-28	1.40%	1.40%
30-Jun-28	1.60%	1.60%
30-Sep-28	1.50%	1.50%
31-Dec-28	1.50%	1.50%
31-Mar-29	1.55%	1.50%
30-Jun-29	1.65%	1.65%
30-Sep-29	1.60%	1.60%
31-Dec-29	1.60%	1.60%
31-Mar-30	1.65%	1.65%
30-Jun-30	1.75%	1.75%
30-Sep-30	1.70%	1.70%
31-Dec-30	1.70%	1.70%
31-Mar-31	1.75%	1.70%
30-Jun-31	1.85%	1.85%
30-Sep-31	1.80%	1.80%
31-Dec-31	1.80%	1.80%

Date	Kanak Facility 1 and Rajat Facility 1	Kanak Facility 2 and Rajat Facility 2
31-Mar-32	1.90%	1.80%
30-Jun-32	2.00%	2.00%
30-Sep-32	1.90%	1.90%
31-Dec-32	1.90%	2.00%
31-Mar-33	1.90%	2.00%
30-Jun-33	2.50%	0.90%
30-Sep-33	2.50%	0.90%
31-Dec-33	2.70%	1.00%
31-Mar-34	15.50%	1.00%
30-Jun-34		2.50%
30-Sep-34		2.50%
31-Dec-34		2.50%
31-Mar-35		2.50%
30-Jun-35		1.60%
30-Sep-35		1.60%
31-Dec-35		1.60%
31-Mar-36		5.60%

For Kanak Facility 3:

Date	Repayment
30-Sep-18	1.66%
31-Dec-18	1.66%
31-Mar-19	1.66%
30-Jun-19	1.39%
30-Sep-19	1.39%
31-Dec-19	1.39%
31-Mar-20	1.39%
30-Jun-20	1.51%
30-Sep-20	1.51%
31-Dec-20	1.54%
31-Mar-21	1.54%
30-Jun-21	1.62%
30-Sep-21	1.62%
31-Dec-21	1.66%
31-Mar-22	1.66%
30-Jun-22	1.62%
30-Sep-22	1.62%
31-Dec-22	1.62%
31-Mar-23	1.62%
30-Jun-23	1.74%
30-Sep-23	1.74%
31-Dec-23	1.74%
31-Mar-24	1.74%
30-Jun-24	1.90%
30-Sep-24	1.90%
31-Dec-24	1.90%
31-Mar-25	1.90%
30-Jun-25	2.02%
30-Sep-25	2.02%
31-Dec-25	2.06%
31-Mar-26	2.06%
30-Jun-26	2.18%

Date	Repayment
30-Sep-26	2.18%
31-Dec-26	2.22%
31-Mar-27	2.22%
30-Jun-27	2.38%
30-Sep-27	2.38%
31-Dec-27	2.38%
31-Mar-28	2.38%
30-Jun-28	2.53%
30-Sep-28	2.53%
31-Dec-28	2.53%
31-Mar-29	2.57%
30-Jun-29	1.52%
30-Sep-29	1.52%
31-Dec-29	1.52%
31-Mar-30	1.52%
30-Jun-30	1.52%
30-Sep-30	1.52%
31-Dec-30	1.52%
31-Mar-31	1.52%
30-Jun-31	1.52%
30-Sep-31	1.52%
31-Dec-31	1.52%
31-Mar-32	1.52%
30-Jun-32	0.10%
30-Sep-32	0.10%
31-Dec-32	0.10%
31-Mar-33	0.10%
30-Jun-33	0.12%
30-Sep-33	0.12%
31-Dec-33	0.12%
31-Mar-34	0.12%

REGISTERED OFFICE OF THE RESTRICTED GROUP

Kanak Renewables Limited, Rajat Renewables Limited, ReNew Clean Energy Private Limited, ReNew Saur Urja Private Limited, ReNew Solar Energy (Telangana) Private Limited, ReNew Wind Energy (Budh 3) Private Limited, ReNew Wind Energy (Devgarh) Private Limited and ReNew Wind Energy (Rajasthan 3) Private Limited

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