

TATA POWER RENEWABLE ENERGY LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TATA POWER RENEWABLE ENERGY LIMITED
Report on the standalone Ind AS financial statements**

We have audited the accompanying standalone Ind AS financial statements of **TATA POWER RENEWABLE ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.



In conducting our 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 standalone Ind AS financial statements.

Opinion

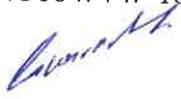
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
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- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W /W-100018)


Gurbinder Singh
Partner
Membership No. 110128

MUMBAI, 15th May, 2017

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of **TATA POWER RENEWABLE ENERGY LIMITED** (“the Company”) as of 31st March, 2017, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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, to the best of our information and according to the explanations given to us, the Company has, 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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/W – 100018)



Gurvinder Singh
Partner

Membership Number: 110128

MUMBAI, 15th May, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Tata Power Renewable Energy Limited ('the Company')

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / transfer deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date except in respect of land valued at Rs. 3.08 crores which is in the process of being transferred in the name of the Company.
- (ii) The Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees which are covered under section 185 and 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have unclaimed deposits as at 31st March, 2017 and accordingly, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit)



Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - (c) Details of dues of income-tax, sales tax, service tax, customs duty, excise duty and value added tax which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of the statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (Financial Year)	Rupees
Income Tax Act, 1961	Income tax	Appellate Authority – upto Commissioner level	2011-12	147,760
Income Tax Act, 1961	Income Tax	Appellate Authority – upto Commissioner level	2012-13	126,170

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debentures holders.
- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.



**Deloitte
Haskins & Sells LLP**

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/W – 100018)



Gurvinder Singh
Partner
Membership Number: 110128

MUMBAI, 15th May, 2017

Tata Power Renewable Energy Limited

Balance Sheet as at 31st March, 2017

Amount in ₹ Lakh

	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-current Assets				
(a) Property, plant and equipment	3	2,53,247.39	1,55,348.00	1,05,233.79
(b) Capital Work-in-Progress		74,787.82	19,296.94	12,414.22
(c) Financial Assets				
(i) Investments - in Subsidiary Companies	4A	3,88,791.64	17.52	-
(ii) Other Financial Assets	6A	21.05	19.76	93.41
(d) Non-current Tax Assets (Net)	7	714.92	345.78	224.82
(e) Other Non-current Assets	8A	1,690.63	12,487.51	14,646.36
Total Non-current Assets		7,19,253.45	1,87,515.51	1,32,612.60
Current Assets				
(a) Financial Assets				
(i) Other Investments	4B	26,654.62	13,951.89	11,298.94
(ii) Trade Receivables	9	3,939.87	4,215.33	1,945.74
(iii) Unbilled Revenue		3,731.57	1,734.43	1,630.25
(iv) Cash and cash Equivalents	10A	7,244.19	791.36	1,107.76
(v) Other balances with bank	10B	5,111.38	-	-
(vi) Loans	5	41,089.63	-	-
(vii) Other financial assets	6B	8,811.64	7,510.64	-
(b) Other Current Assets	8B	96.09	31.87	22.09
Total Current Assets		96,678.99	28,235.52	16,004.78
TOTAL ASSETS		8,15,932.44	2,15,751.03	1,48,617.38
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	11	56,610.77	50,610.77	48,760.77
(b) Share Application money pending allotment		16,800.00	-	-
(c) Unsecured Perpetual Securities		3,89,500.00	-	-
(d) Other Equity	12	11,411.94	4,566.04	3,059.76
Total Equity		4,74,322.71	55,176.81	51,820.53
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	1,66,129.88	1,10,081.67	73,958.09
(b) Deferred Tax Liabilities (Net)	15	1,920.00	1,038.25	90.39
Total Non-current Liabilities		1,68,049.88	1,11,119.92	74,048.48
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	79,475.60	10,772.52	-
(ii) Trade Payables		1,296.41	605.53	415.85
(iii) Other Financial Liabilities	14	91,919.44	37,478.68	21,993.84
(b) Other Current Liabilities	17	868.40	597.58	338.68
Total Current Liabilities		1,73,559.85	49,454.31	22,748.37
Total Liabilities		3,41,609.73	1,60,574.22	96,796.85
TOTAL EQUITY AND LIABILITIES		8,15,932.44	2,15,751.03	1,48,617.38

See accompanying notes forming part of the Financial Statements

1 - 32

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Gurvinder Singh
Partner

For and on behalf of the Board,

Rahul Shah
CEO & Executive Director

Ramesh Subramanyam
Director

Jineendra V Patil
Chief Financial Officer

Mona Purandare
Company Secretary

Mumbai, 15th May, 2017.

Mumbai, 15th May, 2017.

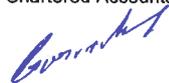
Tata Power Renewable Energy Limited

Statement of Profit and Loss for the year ending 31st March, 2017

Amount in ₹ Lakh

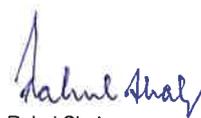
	Notes	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I Revenue from Operations	18	31,807.62	23,956.51
II Other Income	19	8,236.66	772.78
III Total Income		40,044.28	24,729.29
IV Expenses			
Employee Benefits Expense	20	9.07	3.42
Finance Costs	21	13,184.16	9,731.56
Depreciation and Amortisation Expenses		13,879.77	9,489.62
Other Expenses	22	3,123.89	2,330.55
Total Expenses		30,196.89	21,555.15
V Profit Before Tax		9,847.39	3,174.14
VI Tax Expense	26		
Current Tax Expense		2,100.00	720.00
Deferred Tax Expense		881.75	947.86
		2,981.75	1,667.86
VII Profit For The Year		6,865.64	1,506.28
VIII Other Comprehensive Income		-	-
IX Total Comprehensive Income for the year (VII + VIII)		6,865.64	1,506.28
X Earnings Per Equity Share (Face value of ₹ 10/- per share)			
Basic (₹)	27	1.30	0.31
Diluted (₹)	27	1.28	0.31
See accompanying notes forming part of the Financial Statements	1 - 32		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants



Gurvinder Singh
Partner

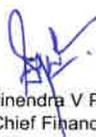
For and on behalf of the Board,



Rahul Shah
CEO & Executive Director



Ramesh Subramanyam
Director



Jinendra V Patil
Chief Financial Officer



Mona Purandare
Company Secretary

Mumbai, 15th May, 2017.

Mumbai, 15th May, 2017.

Tata Power Renewable Energy Limited

Cash Flow Statement for the year ended 31st March, 2017

Amount in ₹ Lakh

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A. Cash Flow from Operating Activities		
Profit before tax	9,847.39	3,174.14
Adjustments for :		
Depreciation and Amortisation Expense	13,879.77	9,489.62
Finance Cost	13,184.16	9,731.56
Interest Income	(4,752.27)	(33.93)
Gain/loss on Sale of Current Investments	(1,682.96)	(678.33)
Other Non operating Income	(1,801.43)	-
Loss on Sale of Fixed Assets	-	1.79
Provision for Doubtful debts	(22.76)	73.26
Corporate Guarantee Charges	75.38	-
Amortization of Leasehold Land	15.77	10.93
Amortisation on Security Deposit	13.91	13.99
Operating profit before working capital changes	18,909.57	18,608.89
	28,756.96	21,763.03
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	275.46	(2,269.59)
Other financial assets- current	1,614.77	(7,384.76)
Other financial assets-non current	21.47	0.39
Other current assets	(63.74)	0.36
Other non-current assets	276.11	0.14
Unbilled revenue	(1,997.14)	(104.18)
	126.93	(9,757.64)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	690.88	189.68
Other current liabilities	270.82	258.90
	961.70	448.58
Cash flow from operations	29,845.59	12,473.97
Income tax paid	(2,469.14)	(840.96)
Net cash flows from / (used in) operations	27,376.45	11,633.01
B. Cash Flow from Investing Activities		
Payments for property, plant and equipment	(1,17,325.79)	(42,398.10)
Acquisition of lease hold land	(16.16)	(253.48)
Purchase of Long-term Investments - in Subsidiary Companies	(3,71,018.53)	(17.52)
Purchase of Current Investments	(2,89,466.80)	(51,750.44)
Proceeds from Sale of Current Investments	2,78,572.91	49,775.82
Interest Received	3,210.62	33.93
Other Miscellaneous revenue	301.43	-
Loans given to Subsidiaries	(82,189.63)	-
Repayment of loan by subsidiaries	41,100.00	-
Sale of Fixed Assets	-	6.75
Bank Balance not considered as Cash and Cash Equivalents	(5,111.38)	0.05
Net cash flow used in investing activities	(5,41,943.33)	(44,602.99)
C. Cash flow from Financing Activities		
Proceeds from issue of Equity shares	16,800.00	1,850.00
Proceeds from Unsecured Perpetual Securities	3,89,500.00	-
Other Borrowing Cost paid	(420.29)	(345.49)
Interest paid	(11,964.28)	(11,831.42)
Proceeds from Long term borrowings	98,481.60	76,422.00
Repayment of Long term borrowings	(43,611.56)	(44,214.03)
Proceeds from Subordinated Loan from Holding Company	17,600.00	10,600.00
Repayment of Subordinated Loan from Holding Company	(22,200.00)	-
Proceeds from Short term borrowings	1,77,241.27	-
Repayment of Short term borrowings	(1,00,285.31)	-
Net cash generated from financing activities	5,21,141.43	32,481.06
Net increase / (decrease) In cash and cash equivalents	6,574.55	(488.92)
Cash and cash equivalents at the beginning of the year	618.84	1,107.76
Cash and cash equivalents at the end of the year	7,193.38	618.84
Cash and cash equivalents comprises		
Balance with banks		
(a) in current account	755.44	790.61
(b) in deposit account	6,488.75	0.75
(c) in bank overdraft	(50.81)	(172.52)
	7,193.38	618.84

Note:1 During the year, loan received from holding company of Rs 6,000 lakh has been converted into equity share capital of the company. The said conversion has been considered as non cash item for the purpose of cash flow.

See accompanying notes forming part of the Financial Statements

1 - 32

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Gurvinder Singh
Partner

For and on behalf of the Board,

Rahul Shah
CEO & Executive Director

Jirinder V Patil
Chief Financial Officer

Ramesh Subramanyam
Director

Mona Purandare
Company Secretary

Mumbai, 15th May, 2017

Mumbai, 15th May, 2017

Tata Power Renewable Energy Limited
Notes forming part of the Financial Statements

Statement of Changes in Equity

A. Equity Share Capital		Amount in ₹ Lakh
Balance as at 1st April, 2016	Changes in Equity Share Capital during the year	Balance as at 31st March, 2017
50,610.77	6,000.00	56,610.77

		Amount in ₹ Lakh
Balance as at 1st April, 2015	Changes in Equity Share Capital during the year	Balance as at 31st March, 2016
48,760.77	1,850.00	50,610.77

B. Unsecured Perpetual Securities		Amount in ₹ Lakh
Balance as at 1st April, 2016	Changes in perpetual securities during the year	Balance as at 31st March, 2017
-	3,89,500.00	3,89,500.00

		Amount in ₹ Lakh
Balance as at 1st April, 2015	Changes in perpetual securities during the year	Balance as at 31st March, 2016
-	-	-

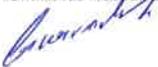
The Tata Power Company Limited (Holding Company) has provided a loan of Rs.3,895 crore to the Company by way of unsecured perpetual debt. The perpetual debt is perpetual in nature with no maturity/redemption terms and is repayable only at the option of the Company. The interest on the perpetual securities is non-cumulative in nature. The distribution on these securities is subject to the availability of profits and the consolidated debt to equity ratio of the company as per last audited financial statement is less than 2.33 without considering this perpetual debt. Such distribution would be at the rate at which dividend has been declared by the Company on equity shares for the relevant financial year. If no dividend is declared by the Company on equity shares in a given financial year, no interest shall be accrued, due or payable by the Company to Tata Power for such financial year. As these securities are perpetual in nature and ranked senior only to the share capital of the company and do not have any redemption obligation, these are considered to be in the nature of equity instruments

C. Other Equity

Amount in ₹ Lakh						
Particulars	Equity Component of compound financial instruments	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Total
Balance as at 1st April, 2015	204.47	-	2,047.66	-	807.63	3,059.76
Profit for the year	-	-	1,506.28	-	-	1,506.28
Transfer to debenture redemption reserve	-	-	(1,343.00)	1,343.00	-	-
Balance as at 31st March, 2016	204.47	-	2,210.94	1,343.00	807.63	4,566.04

Amount in ₹ Lakh						
Particulars	Equity Component of compound financial instruments	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Total
Balance as at 31st March, 2016	204.47	-	2,210.94	1,343.00	807.63	4,566.04
Profit for the year	-	-	6,865.64	-	-	6,865.64
Redemption of compulsory convertible debenture (Refer foot note 1 in note 12)	(519.33)	-	-	-	-	(519.33)
Transfer to retain eaming	314.86	-	(314.86)	-	-	-
Fair value of corporate guarantee (Refer foot note 2 in note 12)	-	499.59	-	-	-	499.59
Transfer to debenture redemption reserve	-	-	(3,416.00)	3,416.00	-	-
Balance as at 31st March, 2017	-	499.59	5,345.72	4,759.00	807.63	11,411.94

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants


Gurvinder Singh
Partner

For and on behalf of the Board,


Rahul Shah
CEO & Executive Director


Ramesh Subramanyam
Director


Jinendra V Patil
Chief Financial Officer


Mona Purandare
Company Secretary

Mumbai, 15th May, 2017.

Mumbai, 15th May, 2017.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

Note 1 Corporate information:

Tata Power Renewable Energy Limited is a wholly owned subsidiary of The Tata Power Company Limited. The principal business of the Company is to engage in business of generation and sale of electricity from renewable sources. Accordingly, the Company has 423 MW of operating renewable power generation assets comprising of operating wind power generation assets of 354.2 MW and 68.8 MW of solar power generation assets across India.

In May 2016, the Company acquired all the shares of Indo Rama Renewable Jath Limited (IRRJL) which has 30 MW of wind operating assets in Maharashtra.

Further, in September 2016, the Company has acquired all the shares of Welspun Renewable Energy Private Ltd (WREPL) which has 1,010 MW of operating portfolio consisting of 864 MW solar power & 146 MW of wind power generating portfolio across India.

The Company is implementing 305 MW of solar projects which are to be commissioned in financial year 2018.

Power generated from all the operating and project assets are being sold / would be sold under long term power sale agreements to state distribution companies and the holding company.

The Company is a incorporated and domiciled in India and has its registered office at C/o The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder Mumbai City - 400009.

2. Significant accounting policies

2.1 Statement of compliance

The financial statements of the company comprising of balance sheet, statement of profit and loss account, statement of change in equity and cash flow statement together with the notes to accounts have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

Previous year numbers in the financial statements have been restated to IND AS.

Refer note 2.21 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transition date.

Tata Power Renewable Energy Limited

Notes forming part of the financial statements

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, regardless of whether that price is directly observable or estimated using another valuation technique.

NewGen Saurashtra Windfarm Limited (NSW) has been amalgamated with the Company with effect from 1st April, 2014 in terms of the scheme of amalgamation sanctioned by the Bombay High Court vide its order dated 04th December 2015. All assets and liabilities, income and expense have been included retrospectively in the financial statements of the Company. The difference between the amounts recorded as investments in NSW as on 1st April 2014 and the amount of share capital of NSW has been shown in opening Capital Reserve.

2.3 Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the year presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Key uncertainties, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next year, are in reference to impairment of property, plant and equipment, useful lives of property, plant and equipment, valuation of deferred tax liabilities or assets and provisions and contingent liabilities.

The areas involving critical estimates and judgements are estimated life of property, plant and equipment (note 2.7), revenue recognition (note 2.4.1), recognition of deferred tax assets and liability (note 2.6.3).

2.4 Revenue recognition

2.4.1 Sale of power

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured.

Revenue from generation of power is recognised on an accrual basis on the basis of billings to power procurers and includes unbilled revenues accrued upto the end of the accounting period.

Revenue is reduced for estimated rebates and other similar allowances.

Delayed payment charges and interest on delayed payments are recognized, on grounds of prudence, when recovered.

2.4.2 Dividend and Interest income

Dividend income from investments is recognised when the right to the payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

2.4.3 Unbilled Revenue

Unbilled revenue represents services rendered by the Company but not invoiced as at the balance sheet date.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investments of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

2.6 Income Tax

2.6.1 Current and deferred tax for the year

Income tax expense comprises of current tax expense and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.6.2 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.6.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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



Tata Power Renewable Energy Limited
Notes forming part of the financial statements

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.7 Property, plant and equipment

Buildings, fixtures, plant and equipment held for use in the generation of electricity or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is measured at cost and is not depreciated.

Depreciation on assets (other than roads), which are governed by the Feed-in-tariff regime, has been provided using the rates as well as methodology prescribed under the Central Electricity Regulatory Commission (CERC) Regulations and relevant State Commission Tariff Orders and for the assets which are with bid tariff have been depreciated based on the useful lives of the assets on straight line method. Roads are depreciated on straight line method at the rate prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

Plant (machinery) & Equipment	: 25 years
Buildings (Others)	: 25 years
Roads (Crossings, etc.)	: 5 years
Transmission Lines & Cable Network	: 25 years

Residual value of the assets has been estimated at 10% of the original cost of the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The difference between the sale proceeds and the carrying amount of such assets are recognised in the statement of profit and loss.

2.8 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

Tata Power Renewable Energy Limited

Notes forming part of the financial statements

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.10 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity or to exchange financial asset or financial liability with another entity under the condition that are potential favorable to the entity or a contract that will or may be settle in entity's own equity instrument under certain circumstances.

A financial liability is any liability that is a contractual obligation to deliver cash or any other financial asset to another entity or to exchange financial asset or financial liability with another entity under the condition that are potentially unfavorable to the entity or a contract that will or may be settle in entity's own equity instrument under certain circumstances.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities other than financial assets and financial liabilities at fair value through profit or loss (FVTPL) are added to or deducted from the fair values of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of profit and loss.

2.11 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

2.11.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held with a business model to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

2.11.2 Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

2.11.3 Financial assets at fair value through the statement of profit and loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

2.11.4 Investment in subsidiaries

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

2.11.5 Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2.12 Financial liabilities and equity instruments

2.12.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.12.2 Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net of direct issue cost.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.12.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

2.12.4 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in the statement of profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.14 Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.15 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax affect of interest and other costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.16 Contingent Liabilities

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

2.17 Operating cycle

Considering the nature of business activities, the operating cycle has been assumed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013

2.18 Leasing arrangement

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The company has no finance leases.

2.18.1 The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.19 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' and Ind AS 102, 'Share-based payment. The amendments are applicable to the Company from 1st 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 its impact on its cash flows, which are not expected to be material.

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

2.20 First-time adoption – mandatory exceptions, optional exemptions

2.20.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.20.2 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

2.21 Explanation of transition to Ind AS

- A. The transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below.

Reconciliations between Previous GAAP and Ind AS

(i) Equity reconciliations

Particulars	Notes	Amount in ₹ Lakh	
		As at March 31, 2016	As at April 01, 2015
Shareholder's fund under Previous GAAP		55,166.43	50,030.72
Adjustments under INDAS			
1. Impact of present value of security deposit given to Tata Chemical and accounting for deferred rent expenses	Note B(a)	(65.77)	(51.79)
2. Compulsory Convertible Debentures - Equity Component	Note B(b)	253.15	253.15
3. Upfront fee accounted as per effective interest method	Note B(c)	109.37	-
4. Fair value of investment in mutual fund	Note B(d)	125.36	348.94
5. Deferred Tax	Note B(f)	(407.76)	(108.90)
6. Impact of NSW merger	Note B(e)	-	1,351.02
7. Others		(3.97)	(2.61)
Total Equity Under IND AS		55,176.81	51,820.53

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

(ii) Reconciliation of total comprehensive income

Particulars	Notes	Amount in ₹ Lakh
		Year ended March 31, 2016
Profit after tax under Previous GAAP		1,934.68
Adjustments under INDAS		
1. Fair valuation of investment in mutual fund	Note B(d)	(223.17)
2. Recognition of borrowings at amortized cost using effective interest method	Note B(c)	109.37
3. Impact of present value of security deposit and deferred rent	Note B(a)	(13.99)
4. Deferred Tax	Note B(f)	(298.86)
5. Others		(1.75)
Total comprehensive income under IND AS		1,506.28

(iii) Reconciliation of Statement of Cash Flow

There are no material adjustments to the statement of Cash Flows as reported under the previous GAAP

B. The opening balance sheet of 1st April 2015, and financial statements for the year ended 31st March, 2016 has been reinstated in compliance with the IND AS. The major changes have been on account of:

(a) Interest free security deposit to Tata Chemicals Limited

Interest free deposit of Rs. 1,050 lakh is paid to Tata Chemicals Limited (TCL) as per Clause 1 of the Leasehold land agreement dated 10th June, 2011 entered into between Tata Power Renewable Energy Limited and TCL. The carrying amount of deposit given to TCL for 75 years in the financial statements in the IGAAP balance sheet as at 31st March, 2015 has been accounted for under amortised cost method for the purpose of opening balance sheet under IND-AS as at 1st April, 2015.

(b) Compulsory Convertible Debentures

The carrying amount of compulsory convertible debenture in the financial statements in the IGAAP balance sheet as at 31st March, 2015 has been bifurcated into Equity Component and Debt Components as per para 22 of Ind AS 32 for the purpose of opening balance sheet under IND-AS as at 1st April, 2015.

(c) Borrowings

Under IND AS, transaction cost incurred towards origination of borrowings needs to be deducted from the carrying value of borrowings. These costs are recognised in the profit and loss account over the tenure of the borrowings as part of interest expense by applying effective interest rate method. Under previous GAAP, the transaction cost was charged to profit and loss account.

(d) Change in fair valuation of investments

Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under IND AS Financial assets other than amortized cost, are measured at fair value.

Investment in Mutual Funds, have been classified as fair value through profit or loss and changes in fair value are recognised in statement of profit and loss. Further the Company has also created

Tata Power Renewable Energy Limited
Notes forming part of the financial statements

deferred tax liability of Rs.108.90 lakh for the purpose of opening balance sheet under IND-AS as at 1st April, 2015.

(e) Impact of NSW Amalgamation

The "Scheme of Amalgamation"("the Scheme") between NewGen Saurashtra Windfarms Limited (NSW) ("transferor Company") a wholly owned subsidiary with the Company under Section 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013, has been approved by the Hon'ble High Court in Mumbai vide its order dated 4th December, 2015 ("Order") and is effective from 12th February 2016 (appointed date 1st April, 2014). All the assets, debts, liabilities and obligations of the transferor company have been vested in the Company with effect from the appointed date and have been recorded at their respective book values. In accordance with the Order, the Share premium Rs. 4,115.40 lakh and deficit in Statement of profit and loss Rs. 2,778.98 lakh of the transferor company has been netted and treated as Capital Reserve of Rs. 807.63 lakh. Consequently the Company has created deferred tax assets of Rs. 543.39 lakh due to above transaction for the purpose of opening balance sheet under IND-AS as at 1st April, 2015.

(f) Deferred tax

Under previous GAAP, deferred tax was recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Due to transition, additional deferred tax liability is recognised in above IND AS adjustments.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

3. Property, Plant and Equipment

Amount in ₹ Lakh

Description	Freehold Land	Buildings	Plant and Equipment	Roads	Transmission Lines and Cable Network	Total
Cost						
Balance as at 1st April, 2015	3,717.65	458.03	1,16,924.28	46.76	1,542.15	1,22,688.87
Additions	300.58	-	57,613.29	126.90	1,571.61	59,612.38
Disposals	-	10.14	-	-	-	10.14
Balance as at 31st March, 2016	4,018.23	447.89	1,74,537.57	173.66	3,113.76	1,82,291.11
Additions	1,076.77	755.60	1,08,689.86	-	1,256.93	1,11,779.16
Disposals	-	-	-	-	-	-
Balance as at 31st March, 2017	5,095.00	1,203.49	2,83,227.43	173.66	4,370.69	2,94,070.27
Accumulated depreciation and impairment						
Balance as at 1st April, 2015	-	119.87	17,131.06	10.63	193.52	17,455.08
Depreciation expense	-	31.30	9,312.40	14.38	131.54	9,489.62
Disposals	-	1.59	-	-	-	1.59
Balance as at 31st March, 2016	-	149.58	26,443.46	25.01	325.06	26,943.11
Depreciation Expense Eliminated on disposal of assets	-	35.71	13,574.54	22.31	247.21	13,879.77
Balance as at 31st March, 2017	-	185.29	40,018.00	47.32	572.27	40,822.88
Net Block						
As at 1st April, 2015	3,717.65	338.16	99,793.22	36.13	1,348.63	1,05,233.79
As at 31st March, 2016	4,018.23	298.31	1,48,094.11	148.65	2,788.70	1,55,348.00
As at 31st March, 2017	5,095.00	1,018.20	2,43,209.43	126.34	3,798.42	2,53,247.39

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

4. Investments

	Face value	As at 31st March, 2017		As at 31st March, 2016		As at 01st April, 2015	
		No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
A Non- Current							
Investments carried at cost							
Investments in equity shares of Subsidiary Companies (unquoted)							
Indo Rama Renewable Jath Limited	10	603,00,000	8,412.59	-	-	-	-
Poolavadi Windfarms Limited	10	50,000	5.00	50,000	5.00	-	-
Nivade Windfarms Limited	10	50,000	5.00	50,000	5.00	-	-
Supa Windfarms Limited	10	50,000	5.00	50,000	5.00	-	-
Tata Power Green Energy Limited	10	50,000	2.52	50,000	2.52	-	-
Welspun Renewables Energy Private Limited	10	6113,55,942	3,80,356.53	-	-	-	-
Vagarai Windfarms Limited	10	50,000	5.00	-	-	-	-
			3,88,791.64		17.52		

During the year company acquired entire equity shares of Indo Rama Renewable Jath Ltd (IRRJL) on 19th May 2016 which has 30 MW operating wind asset in Maharashtra and of Welspun Renewable Energy Private Ltd (WREPL) on 14th September 2016 which has 1010 MW operating solar & wind assets across India.

	Face value	As at 31st March, 2017		As at 31st March, 2016		As at 01st April, 2015	
		Units	Amount	Units	Amount	Units	Amount
B Current							
Investments carried at FVTPL							
Investments in Mutual funds (unquoted)							
Religare Invesco Liquid Fund - Growth	1,000	-	-	1,86,786.93	3,886.50	2,31,546.00	4,450.97
Religare Invesco Liquid Fund - Growth - Direct	1,000	3,17,905.59	7,116.88	-	-	-	-
DSP Blackrock Liquidity Fund - IP - Growth	1,000	-	-	42,925.56	928.12	1,15,003.00	2,299.47
DSP Blackrock Liquidity Fund - Direct - Growth	1,000	41,487.91	964.92	-	-	-	-
JM High Liquidity - Growth	10	-	-	34,52,312.35	1,426.78	25,17,814.00	960.72
JM High Liquidity - Growth - Direct	10	107,27,254.37	4,775.12	-	-	-	-
UTI Liquid Fund - Cash Plan - Growth	1,000	-	-	73,931.14	1,831.01	34,441.00	788.14
Axis Liquid Fund - Growth	1,000	-	-	43,826.05	734.50	-	-
Axis Liquid Fund - Direct - Growth	1,000	2,65,054.42	4,779.53	-	-	-	-
ICICI Prudential Liquid Regular Growth	100	-	-	18,73,922.55	4,002.54	13,53,417.00	2,799.64
DHFL Pramerica Insta Cash Plus - Direct - Growth	100	-	-	2,46,433.50	485.15	-	-
LIC Nomura Liquidity Fund - Growth	1,000	-	-	23,980.54	657.29	-	-
Tata Money Market Fund - Growth - Direct	1,000	72,065.78	1,847.13	-	-	-	-
Baroda Pioneer Liquid Fund - Plan B (Direct)	1,000	88,860.29	1,661.71	-	-	-	-
Sundaram Money Fund - Direct	10	160,64,421.48	5,509.33	-	-	-	-
			26,654.62		13,951.89		11,298.94

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Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

5. Loans

Current

Loans to Related Parties - Unsecured considered good

Indo Rama Renewables Jath Limited

15,089.63

-

-

Welspun Renewables Energy Private Limited

26,000.00

-

-

41,089.63

-

-

6. Other Financial Assets

A Non-Current Financial assets

Other Deposits:

Unsecured considered good

21.05

19.76

93.41

Doubtful

50.50

73.26

-

71.55

93.02

93.41

Less: Allowances for Doubtful Debt

(50.50)

(73.26)

-

21.05

19.76

93.41

Other non current financial assets

-

-

-

21.05

19.76

93.41

B Current Financial assets

Interest accrued on bank deposits

10.71

-

-

Interest accrued on loans and advances to related parties

1,530.94

-

-

Receivable on sale of current investments

-

125.88

-

Recoverable from vendor

7,258.92

7,383.94

-

Other recoverable from related parties

11.07

0.82

-

8,811.64

7,510.64

-

7. Non-current tax assets

Advance Income Tax (net of provision)

714.92

345.78

224.82

714.92

345.78

224.82

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

8 Other Non-Current / Current Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A Non - Current			
Capital Advances - Secured considered good	140.00	10,646.78	13,023.92
Value Added Tax Receivable	248.25	524.36	524.25
Payments Towards Leasehold Land	351.18	351.27	118.86
Prepaid Expenses	-	-	0.25
Deferred rent Expenses	951.20	965.10	979.08
	1,690.63	12,487.51	14,646.36
B Current			
Payment towards Leasehold Land	17.69	17.21	7.07
Deferred Rent Expenses	13.95	13.95	13.95
Other Advances	1.42	0.71	0.50
Other receivables	17.31	-	-
Prepaid Expenses	45.72	-	0.57
	96.09	31.87	22.09

9 Trade Receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Receivables-Unsecured, considered good	3,939.87	4,215.33	1,945.74
	3,939.87	4,215.33	1,945.74

Notes:

1)(a) The average credit period is 30 days in respect of receivables pertaining to sale of power. No interest is charged on trade receivables for the first 30 days from date of receipt of invoice by customers. Thereafter, interest is charged at the rates prescribed by the Power Purchase Agreement (PPA) on the outstanding balance once the dues are received.

1)(b) In respect of Generation Benefit Incentive (GBI), receivables for Indian Renewable Energy Development Authority (IREDA) there is no specified credit period and the amounts are received by the Company as and when funds are disbursed to IREDA by Government of India.

2) The Company supplies power to various State Distribution companies and to holding company under long term PPA between the company and procurers. GBI is directly billed to IREDA as per GBI policy.

3) Age of receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Within the credit period	854.64	1,429.46	1,044.13
1-90 days past due	1,259.15	857.27	742.19
91-182 days past due	1,182.08	1,311.60	-
More than 182 days past due	644.00	617.00	159.42

The concentration of credit risk is limited due to the fact that the entire customer base consist of Central / State government owned entities and holding company and there has been no past instances of default.

10A Cash and Cash Equivalents

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with banks			
in current accounts	755.44	790.61	1,107.66
in deposits accounts (original maturity of 3 months or less)	6,488.75	0.75	0.10
Cash and cash equivalents as per balance sheet	7,244.19	791.36	1,107.76
Bank overdraft	(50.81)	(172.52)	-
Cash and cash equivalents as per cash flow	7,193.38	618.84	1,107.76

10B Other balances with bank

in current escrow account*	590.76	-	-
in deposit escrow account*	4,520.62	-	-
	5,111.38	-	-

* Pertaining to acquisition of 100% shares of Welspun Renewables Energy Private Limited

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

11 Equity Share Capital

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised Share Capital 1,39,25,00,000 fully paid equity shares of ₹ 10 each	1,39,250.00	1,39,250.00	1,39,250.00
Issued Share Capital 56,61,08,815 fully paid equity shares of ₹ 10 each (as at 31st March, 2016 : 50,61,08,815 ;as at 1st April, 2015: 48,76,08,815)	56,610.88	50,610.88	48,760.88
Subscribed and fully paid up Share Capital 56,61,07,715 fully paid equity shares of ₹ 10 each (as at 31st March, 2016 : 50,61,07,715 ;as at 1st April, 2015: 48,76,07,715)	56,610.77	50,610.77	48,760.77
	<u>56,610.77</u>	<u>50,610.77</u>	<u>48,760.77</u>

a. Reconciliation of number of shares at the beginning and at the end of the reporting year

Equity shares	As at 31st March, 2017	As at 31st March, 2016
At the beginning of the year	50,61,07,700.00	48,76,07,700.00
Add: Issue during the year	6,00,00,000.00	1,85,00,000.00
Outstanding at the end of the year	<u>56,61,07,700.00</u>	<u>50,61,07,700.00</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when the company declares and pays dividend after obtaining shareholders approval. Dividends are paid 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.

c. 566,107,700 shares as on March 31, 2017 (506,107,700 shares as on March 31, 2016 and 487,607,700 shares as on April 01, 2015) being the entire share capital of the company held by The Tata Power Company Limited, the holding company

12 Other equity

	As at 31st March, 2017	As at 31st March, 2016
A. Equity component of compound financial instruments		
Opening Balance	204.47	204.47
Less: Fair Value on redemption of CCD (refer foot note 1)	(519.33)	-
Redemption premium on CCD transfer to retain earning	314.86	-
Closing Balance	<u>-</u>	<u>204.47</u>
B. Deemed equity contribution from holding company		
Opening Balance	-	-
Add: Fair value of corporate guarantee (refer foot note 2)	499.59	-
Closing Balance	<u>499.59</u>	<u>-</u>
C. Retained Earnings		
Opening Balance	2,210.94	2,047.66
Add: Profit for the year	6,865.64	1,506.28
Less: Redemption premium on CCD	(314.86)	-
Less: Transfer to debenture redemption reserve	(3,416.00)	(1,343.00)
Closing Balance	<u>5,345.72</u>	<u>2,210.94</u>
D. Capital Reserves		
Opening Balance	807.63	807.63
Add: Transfer during the year	-	-
Closing Balance	<u>807.63</u>	<u>807.63</u>
E. Debenture Redemption Reserve		
Opening Balance	1,343.00	-
Add: Transfer during the year	3,416.00	1,343.00
Closing Balance	<u>4,759.00</u>	<u>1,343.00</u>
	<u>11,411.94</u>	<u>4,566.04</u>

Foot note 1:

Tata Chemicals Limited (TCL) had subscribed to Debentures issued by the Company aggregating to Rs 2.89 crore on 23rd May 2012. In accordance with Clauses 2.8 (b) and (c) of the Debenture Agreement dated 23rd May, 2012, the Debentures were due for conversion into Equity Shares at par on 25th January 2017. The Board in its meeting held on 2nd February 2017, has approved the changes to the terms of Debenture Agreement from compulsorily convertible instrument to redeemable instrument at a fair value of Rs 5.19 crore against the equity portion of CCD plus any interest accrued till date of repayment. Accordingly the Company has redeemed the debentures on 28th February 2017 including interest accrued thereon.

Foot note 2:

The Tata Power Company has provided corporate guarantee of Rs 2,125 crore for TPREL NCD and commercial papers. This has benefited to raised loans at lower interest rate. Hence as per INDS AS 113, entity shall measure the fair value of an asset or a liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Accordingly fair value of Rs 499.59 lakh was derived using interest saved approach. This cost is amortised over the period of loan against which guarantee was taken.

Nature and purposes of reserves

Debenture Redemption Reserve

The Group is required to create a Debenture Redemption Reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Capital Reserve

Capital Reserve has been created consequent to Scheme of Amalgamation between NSW and the company and cannot be utilized toward distribution of dividend.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

13 Non-current borrowings

Notes	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015		
	Non-current	Current	Non-current	Current	Non-current	Current	
(a) Unsecured Borrowing - at amortised cost							
Redeemable Non-Convertible Debentures							
(i) 9.38% Series 2025	42,414.94	-	42,402.01	-	-	-	
(ii) 8.99% Series 2023	17,447.82	-	-	-	-	-	
(iii) 8.99% Series 2027	39,873.48	-	-	-	-	-	
	99,736.24	-	42,402.01	-	-	-	
Redeemable Compulsory Convertible Debentures							
(iv) Debt portion of compounded financial instrument	-	-	111.17	-	101.58	-	
Term Loans from Others							
(v) Tata Chemicals Limited	-	-	-	-	761.00	-	
(A)	99,736.24	-	42,513.18	-	862.58	-	
(b) Secured Borrowing - at amortised cost							
Term Loans from Banks							
(i) IDFC Bank	10,829.95	902.33	28,394.37	1,372.00	-	-	
(ii) Kotak Mahindra Bank	22,900.67	232.82	15,062.25	37.75	-	-	
(iii) HDFC Bank	29,885.09	-	-	-	-	-	
(iv) State Bank of India	-	-	-	-	21,982.80	1,076.19	
(v) State Bank of Patiala	-	-	7,985.59	564.92	8,550.51	517.22	
(vi) EXIM Bank	-	-	-	-	9,617.00	926.00	
	63,615.71	1,135.15	51,442.21	1,974.67	40,150.31	2,519.41	
Term Loans from Others							
(vii) IDFC Infrastructure Finance Limited	3,202.14	177.10	3,379.95	120.05	-	-	
(viii) L&T Infrastructure Finance Company Limited	-	-	12,746.33	782.35	10,177.50	583.05	
(ix) Infrastructure Development Finance Company Limited	-	-	-	-	22,767.70	3,662.30	
	3,202.14	177.10	16,126.28	902.40	32,945.20	4,245.35	
(B)	66,817.85	1,312.25	67,568.49	2,877.07	73,095.51	6,764.76	
Total borrowings	(A) + (B)	1,66,554.09	1,312.25	1,10,081.67	2,877.07	73,958.09	6,764.76
Less: Unamortised portion of fair value of corporate guarantee		424.21	-	-	-	-	-
Total Non-current borrowings (as per balance sheet)		1,66,129.88	1,312.25	1,10,081.67	2,877.07	73,958.09	6,764.76

Security

Notes

- a The NCDs are backed by unconditional and irrevocable Corporate Guarantee (CG) from The Tata Power Company Ltd for all amounts due under the facility including but not limited to interest, principal amount, penal interest and any other costs/charges under the issue. CG shall remain valid till the issue is completely redeemed.
- b Lenders have first charge over the entire movable assets, both present and future, cash flows, receivables, book debts, revenues, all bank accounts, all intangibles present and future pertaining to the 28.8 MW Solar Palaswadi Plant.
- First charge over the entire immovable properties, both present and future and Pledge of 51% of the entire equity shares held by the holding company both present and future (yet to be created). The company is in the process of negotiation for modification of clause relating to pledge of share.
- Upon non-payment of 2 consecutive instalments of the principal and/or Interest of the Loans, lender has the right at their option to convert to equity either the whole or any part of the amount of the Loans and/or interest in respect of which default shall have been made by the Company into fully paid up equity shares of the Company at par.
- c Lenders have first charge over the entire movable assets, both present and future, cash flows, receivables, book debts, revenues, all bank accounts, all intangibles present and future pertaining to the 44 MW Lahori Wind Plant.
- d The loan is backed by unconditional and irrevocable Corporate Guarantee (CG) from The Tata Power Company Ltd for all amounts due under the loan including but not limited to interest, principal amount, penal interest and any other costs/charges under the issue. CG shall remain valid till the issue is completely redeemed.
- e Lenders have first charge over the entire immovable properties, both present and future, movable assets, both present and future, receivables, all bank accounts including cash in hand, all intangibles present and future pertaining to the 25 MW Mithapur project.
- f The loan facility is with the unconditional and irrevocable corporate guarantee given by the Holding Company, The Tata Power Company Limited for a period of 3 years from the date of commencement of the Dakoth project or 31st March, 2017, whichever is later.
- g Lenders have first charge over the entire immovable properties, both present and future, movable assets, both present and future, receivables, all bank accounts including cash in hand, all intangibles present and future pertaining to the 18 MW Dangri project and 39.2 MW NSW project.
- h Lenders have first charge over the entire movable assets, both present and future, cash flows, receivables, book debts, revenues, all bank accounts, all intangibles present and future pertaining to the 50 MW Solar Rojmal phase I Plant.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

13 Non-current borrowings (continue)

Terms of Repayment

Amount in ₹ Lakh

Particulars	Amount outstanding as on 31st March, 2017	Financial Year															
		FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29				
(a) Unsecured Borrowing - at amortised cost																	
Redeemable Non-Convertible Debentures																	
(i) 9.38% Series 2025	42,500.00	-	-	-	-	-	14,165.25	14,165.25	14,169.50	-	-	-	-	-	-	-	-
(ii) 8.99% Series 2023	17,500.00	-	-	7,000.00	7,000.00	3,500.00	-	-	-	-	-	-	-	-	-	-	-
(iii) 8.99% Series 2027	40,000.00	-	-	-	-	-	7,000.00	7,000.00	7,000.00	7,000.00	19,000.00	-	-	-	-	-	-
(A)	1,00,000.00																
(b) Secured Borrowing - at amortised cost																	
Term Loans from Banks																	
(i) IDFC Bank	11,732.28	949.02	997.32	1,047.23	1,085.53	1,150.27	1,213.06	1,275.85	1,189.79	1,263.85	648.03	-	-	-	-	-	-
(ii) Kotak Mahindra Bank	23,223.39	232.82	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	1,629.71	8,090.36
(iii) HDFC Bank	30,000.00	-	1,800.00	1,800.00	2,853.00	2,853.00	2,853.00	3,600.00	6,000.00	8,241.00	-	-	-	-	-	-	-
(B)	64,955.67																
Term Loans from Others																	
(iv) IDFC Infrastructure Finance Limited	3,379.25	197.40	218.40	240.10	261.10	284.90	312.20	339.50	517.30	549.50	281.75	-	-	-	-	-	-
(B)	3,379.25																
Total borrowings (A + B)	1,68,334.92																
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS.	468.58																
Less: Unamortised portion of fair value of corporate guarantee	424.21																
Total Non-current borrowings (as per balance sheet)	1,67,442.13																

1

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

14 Other Financial Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A Current			
Current Maturities of long term debt	1,312.25	2,877.07	6,764.76
Interest Accrued but not due on borrowings			
- Banks	179.50	184.55	2,523.33
- Debentures	2,258.06	766.53	-
- Holding company	-	132.75	178.84
Interest Accrued and due on borrowings	-	-	281.74
Payable on Purchase of Fixed Asset	70,414.04	33,517.78	12,245.17
Hold back amount of WREPL acquisition	17,755.59	-	-
	91,919.44	37,478.68	21,993.84

15 Deferred tax liability

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Assets	269.31	25.35	28.23
Deferred Tax Liabilities	2,189.31	1,063.60	118.62
Total Net Deferred Tax Liability	1,920.00	1,038.25	90.39
2016-17	Opening Balance	Recognised in P&L	Closing Balance
Property, plant and equipment	991.43	939.32	1,930.75
EIR impact on borrowings	28.78	(28.78)	-
Other non-current financial assets	(25.35)	25.35	-
Mutual funds carried at FVTPL	43.39	(54.14)	(10.75)
	1,038.25	881.75	1,920.00
2015-16	Opening Balance	Recognised in P&L	Closing Balance
Property, plant and equipment	(18.53)	1,009.96	991.43
EIR impact on borrowings	(9.70)	38.48	28.78
Other non-current financial assets	-	(25.35)	(25.35)
Mutual funds carried at FVTPL	118.62	(75.23)	43.39
	90.39	947.86	1,038.25

16 Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Borrowings - Current			
Commercial Paper (maximum outstanding Rs.100,000 lakh, previous year NIL)	79,424.79	-	-
Short term loan from Holding Company	-	10,600.00	-
Bank overdraft	50.81	172.52	-
	79,475.60	10,772.52	-

17 Other Current liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory Liabilities	868.40	597.58	338.68
	868.40	597.58	338.68

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

18. Revenue from Operations

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Revenue from Operations		
Revenue from Power Supply	28,748.15	21,476.76
(Less): Cash Discount	(260.82)	(86.99)
	<u>28,487.33</u>	<u>21,389.77</u>
(b) Other Operating Revenue		
Compensation Earned	1,403.67	1,283.86
Generation Based Incentive	1,901.69	1,156.50
Sale of Carbon Credits	14.93	126.38
	<u>3,320.29</u>	<u>2,566.74</u>
Total	<u>31,807.62</u>	<u>23,956.51</u>

19. Other Income

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest Income on Financial Assets held at Amortised Cost		
Interest on Banks Deposits	134.45	33.93
Interest on Loans to Subsidiaries	3,002.26	-
Interest on CCD of Subsidiaries	1,615.56	-
	<u>4,752.27</u>	<u>33.93</u>
(c) Gain/(Loss) on Investments		
Gain from Current Investments measured at FVTPL	1,682.96	678.33
	<u>1,682.96</u>	<u>678.33</u>
(d) Other Non-operating Income		
Miscellaneous Revenue	17.77	60.52
Delayed Payment Charges	283.66	-
Interest on vendor advance	1,500.00	-
	<u>1,801.43</u>	<u>60.52</u>
Total	<u>8,236.66</u>	<u>772.78</u>

20. Employee Benefits Expense

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries and Wages	7.25	2.82
Staff Welfare Expenses	1.82	0.60
	<u>9.07</u>	<u>3.42</u>

21. Finance Costs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest Expense:		
Borrowings		
Interest on Debentures	8,223.64	778.44
Interest on - Loans from holding company	814.58	407.71
Interest on Loans - Banks & Financial Institutions	4,289.95	8,745.18
Others		
Interest on Commercial Paper	2,183.52	-
Other Interest and Commitment Charges	30.50	-
	<u>15,542.19</u>	<u>9,931.33</u>
Less: Interest Capitalised	2,541.20	447.27
	<u>13,000.99</u>	<u>9,484.06</u>
(b) Other Borrowing Cost:		
Other Finance Costs	183.17	247.50
	<u>183.17</u>	<u>247.50</u>
Total	<u>13,184.16</u>	<u>9,731.56</u>

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

Amount in ₹ Lakh

22. Other Expenses

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Rental of Land, Buildings, Plant and Equipment, etc.	0.69	2.32
Amortisation of Security Deposit paid	13.91	13.99
Repairs and Maintenance	1,102.70	916.25
Rates and Taxes	37.09	16.05
Insurance	134.92	101.08
Other Operation Expenses	155.12	2.29
Business Development Expenditure	99.05	76.99
Electricity Consumed	114.76	112.78
Travelling and Conveyance Expenses	44.18	32.01
Consultants' Fees	9.24	-
Auditors' Remuneration (refer foot note (i) below)	54.65	39.51
Cost of Services Procured	939.45	604.03
Amortisation of Leasehold Land Payments	15.77	10.93
Cost Auditor Fees	0.13	2.37
Other Fees	128.16	156.97
Directors Fees	20.01	21.93
Legal Charges	134.56	60.65
Corporate Social Responsibility Expenses (refer foot note (ii) below)	40.00	15.00
Tata Brand Equity	77.50	57.50
Miscellaneous Expenses	24.76	12.85
Provision for doubtful debts (net)	(22.76)	73.26
Loss on fixed assets sold / scrapped / written off	-	1.79
Total	3,123.89	2,330.55

Foot Notes:

(i) Auditors' remuneration (inclusive of service tax):

Audit fees	24.72	26.13
Tax Audit	4.03	2.29
Other Services	25.90	11.09
Total	54.65	39.51

(ii) Corporate Social Responsibility Expenses

Contribution to Tata Power Community Development Trust	40.00	15.00
Total	40.00	15.00

Amount required to be spent as per section 135 of the Act

	40.00	15.00
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Amount spent during the year on:

(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	40.00	15.00

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

23 Contingent Liabilities:

(a) As at 31st March, 2017 - ₹ 124.13 lakh - in respect of Income tax disputes (31st March, 2016 ₹ 98.40 lakh ; 1st April, 2015 ₹ 1.47 lakh). For cashflows in respect of above matter is determinable on receipt of judgments / decisions pending at various forums / authorities.

(b) The Company has provided Corporate Guarantee of ₹ 180,417.10 Lakh on behalf of WREPL and Bank Guarantee issued ₹ 17,404.90 Lakh (including Rs.2,009.90 lakh on behalf of WREPL) as on 31st March 2017 (31st March, 2016 ₹NIL and 01st April 2015 ₹NIL).

24 Capital Commitment :

Estimated amount of contracts remaining to be executed (net of capital advance) on Capital account and not provided for ₹ 24,616 lakh (31st March, 2016 ₹ 71,909.59 lakh; 1st April, 2015 ₹ 16,100.75 lakh).

25 Disclosure as required by Indian Accounting Standard 24 (IND AS-24) "Related Party Disclosures" as notified under the Companies (Accounts) Rules, 2014 is as follows:

(a) Names of the related parties and description of relationship:

Name of the Related Party	Country of Origin
Holding Company	
The Tata Power Company Limited (TPCL)	India
Wholly owned Subsidiaries	
Tata Power Green Energy Limited	India
Supa Windfarms Limited	India
Nivade Windfarms Limited	India
Poolavadi Windfarms Limited	India
Vagarai Windfarm Limited	India
Indo Rama Renewables Jath Limited (IRRJL) - with effect from 19-May-2016	India
Welspun Renewables Energy Private Limited and its subsidiary (WREPL) - with effect from 14-Sep-2016	India
Fellow Subsidiaries (where transactions have taken place)	
Tata Power Solar Systems Limited (TPSSL)	India
Tata Power Trading Company Limited (TPTCL)	India
Af-Taab Investment Company Limited	India
Key Management Personnel	
Rahul Shah (CEO & Director)	India

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

25 (b) Details of Transactions / Balances Outstanding:

Particulars	Amount in ₹ lakh									
	TPCL	WREPL	IRRJL	Supa	Nivade	Poolavadi	TPSSL	TPTCL	Af-Taab	Key Management Personnel
Project Management Service	210.21 197.48									
Receiving of Services	471.27 500.93						332.02 358.95			
Purchase of goods - Supply							4.67			
Purchase of Fixed asset	3.48						73,878.17	0.28 0.20		
Guarantees given including corporate guarantee	1,72,500.00 50,000.00									
Guarantees returned including corporate guarantee	11,457.41 27,719.08									
Corporate guarantee issued		3,75,694.90								
Corporate guarantee returned		1,93,267.90								
Fair value of corporate guarantee	499.73									
Interest Expenditure	814.58 147.04									
Interest Income		3,429.89	1,187.93							
Perpetual securities issued	3,89,500.00									
Borrowings Received	17,600.00 10,600.00									
Borrowings Repaid (including conversion in equity)	28,200.00									
Equity Contribution (including Share Application Money pending for allotment and conversion of debt)	22,800.00 1,850.00									
Investment in equity (including conversion)		21,849.57								
Sale of Power	6,843.60 6,592.23									
Cash Discount given	83.87 85.21									
Loans given or assigned		67,100.00	15,089.63							
Loans repaid		41,100.00								
Pledge commission	59.14									
Expenses incurred on behalf of			11.83	0.24	0.24	0.24				
Remuneration *										174.35 125.31
Other income		4.34	5.66					40.42		
Purchase of Investment									2.52	
Balance Outstanding										
Loans taken (including Interest thereon)	10,732.75 2,523.32									
Perpetual securities outstanding	3,89,500.00									
Loan given (including interest thereon)		27,530.94	15,089.63							
Other Payables	441.64 254.95 [147.27]						35,722.60 151.33 [209.60]	0.20		
Other Receivable	519.00 602.80 [632.89]	4.34	5.66							
Guarantees given on behalf of TPREL	2,22,500.00 61,457.41 [39,176.49]									
Guarantees given on behalf of WREPL		1,82,427.00								

Note: Previous year's figures are in Italics and figures in [] indicate balance outstanding as at 31st March, 2015

* Reimbursement of deputation cost to holding company.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

26 Tax expense reconcillitaion

	Year Ended	
	31.03.2017	31.03.2016
	Rs. in Lakh	Rs. in Lakh
Current tax		
In respect of the current year	2,100.00	720.00
	2,100.00	720.00
Deferred tax		
In respect of the current year	881.75	947.86
	881.75	947.86
Total income tax expense recognised in the current year	2,981.75	1,667.86

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year Ended	
	31.03.2017	31.03.2016
	Rs. in Lakh	Rs. in Lakh
Profit before tax	9,847.39	3,174.14
Income tax expense calculated at 34.61%	3,408.18	1,098.57
Effect of Brought Forward Losses	-	(48.89)
Effect of Tax Holiday period	(371.71)	-
Effect of additional tax on account of Minimum Alternate Tax (MAT) applicability	959.21	720.00
Effect of Tax on reversals during 80IA period	(1,031.22)	(128.21)
Effect of Tax on Other Items	17.29	26.39
Income tax expense recognised in statement of profit or loss	2,981.75	1,667.86

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

27 Earnings per Share:

	For the Year ended 31st March, 2017 ₹	For the Year ended 31st March, 2016 ₹
Basic		
Net profit for the year attributable to equity shareholders (₹ Lakh)	6,865.64	1,506.28
Weighted Average Number of Equity Shares for Basic EPS (Nos)	529,285,797	493,067,831
Par value per equity share (₹)	10.00	10.00
Basic Earnings Per Share (₹)	1.30	0.31
Diluted		
Net profit for the year attributable to equity shareholders (₹ Lakh)	6,865.64	1,506.28
Add: Interest expense on Compulsory Convertible Debentures debited to Statement of Profit and Loss (₹ Lakh)	-	18.41
Profit attributable to equity shareholders on dilution (₹ Lakh)	6,865.64	1,524.69
The weighted average number of equity shares for Basic EPS (Nos)	529,285,797	493,067,831
Add: Effect of potential equity shares on conversion of compulsorily convertible debentures	-	2,890,000
Add: Effect of Share application money pending allotment	7,594,521	-
Weighted average number of equity shares for Diluted EPS (Nos)	536,880,318	495,957,831
Par value per equity share (₹)	10.00	10.00
Diluted Earnings Per Share (₹) restricted to Basic EPS	1.28	0.31

28 Financial Instruments

a) (i) Financial Assets and Liabilities

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

Amount in ₹ Lakh

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :					
Cash and Cash Equivalents	-	-	7,244.19	7,244.19	7,244.19
Trade Receivables	-	-	3,939.87	3,939.87	3,939.87
Unbilled Revenue	-	-	3,731.57	3,731.57	3,731.57
Investments (mutual funds)	26,654.62	-	-	26,654.62	26,654.62
Other balances with banks	-	-	5,111.38	5,111.38	5,111.38
Loans	-	-	41,089.63	41,089.63	41,089.63
Other financial assets	-	-	8,832.69	8,832.69	8,832.69
Total	26,654.62	-	69,949.33	96,603.95	96,603.95
Liabilities					
Borrowings (includes current maturities)	-	-	246,917.73	246,917.73	247,447.79
Trade Payables	-	-	1,296.41	1,296.41	1,296.41
Other Financial Liabilities	-	-	90,607.19	90,607.19	90,607.19
Total	-	-	338,821.34	338,821.34	339,351.39

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

The carrying value of financial instruments by categories as of March 31, 2016 is as follows:

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :					
Cash and Cash Equivalents	-	-	791.36	791.36	791.36
Trade Receivables	-	-	4,215.33	4,215.33	4,215.33
Unbilled Revenue	-	-	1,734.43	1,734.43	1,734.43
Investments (mutual funds)	13,951.89	-	-	13,951.89	13,951.89
Other financial assets	-	-	7,530.40	7,530.40	7,530.40
Total	13,951.89	-	14,271.52	28,223.41	28,223.41
Liabilities					
Borrowings (includes current maturities)	-	-	1,23,731.26	1,23,731.26	1,23,829.25
Trade Payables	-	-	605.53	605.53	605.53
Other Financial Liabilities	-	-	34,601.61	34,601.61	34,601.61
Total	-	-	1,58,938.40	1,58,938.40	1,59,036.39

The carrying value of financial instruments by categories as of April 1, 2015 is as follows:

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :					
Cash and Cash Equivalents	-	-	1,107.76	1,107.76	1,107.76
Trade Receivables	-	-	1,945.74	1,945.74	1,945.74
Unbilled Revenue	-	-	1,630.25	1,630.25	1,630.25
Investments (mutual funds)	11,298.94	-	-	11,298.94	11,298.94
Other financial assets	-	-	93.41	93.41	93.41
Total	11,298.94	-	4,777.16	16,076.10	16,076.10
Liabilities					
Borrowings (includes current maturities)	-	-	80,722.85	80,722.85	80,722.85
Trade Payables	-	-	415.85	415.85	415.85
Other Financial Liabilities	-	-	15,229.08	15,229.08	15,229.08
Total	-	-	96,367.78	96,367.78	96,367.78

(ii) Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes traded debentures (borrowings) and mutual funds that have quoted price.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

The following table summarises financial assets measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair fair value disclosures are required) :

Amount in ₹ Lakh				
As at 31.03.2017	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Investment	26,654.62	-	-	26,654.62
Total	26,654.62	-	-	26,654.62
As at 31.03.2016				
Financial Assets				
Mutual Fund Investment	13,951.89	-	-	13,951.89
Total	13,951.89	-	-	13,951.89
As at 01.04.2015				
Financial Assets				
Mutual Fund Investment	11,298.94	-	-	11,298.94
Total	11,298.94	-	-	11,298.94

The following table summarises financial liabilities measured at fair value on a recurring basis and financial liabilities that are not measured at fair value on a recurring basis (but fair fair value disclosures are required) :

Amount in ₹ Lakh				
As at 31.03.2017	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Listed Non-convertible debentures	1,00,266.30	-	-	1,00,266.30
Total	1,00,266.30	-	-	1,00,266.30
As at 31.03.2016				
Financial Liabilities				
Listed Non-convertible debentures	42,500.00	-	-	42,500.00
Total	42,500.00	-	-	42,500.00

The carrying amount of cash and cash equivalents, other bank balance trade receivable, unbilled revenue, current loans, other financial assets, current borrowings, trade payables and other financial liabilities are consider to be the same as their fair value, due to their short term nature.

The carrying amount of other non-current financial assets are consider to be close approximate to their fair value due to immaterial impact on the financial statement.

Borrowings from banks and other financial institutions are the variable rate loans. The current borrowing rate represents the discounting rate, which means that the carrying value will be close approximate to their fair value.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

b) Capital Management:

The company's objective for capital management is to maximise shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on manual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

c) Financial Risk Management:

In its ordinary operations, the Company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has the risk management policy which covers risk associated with the financial assets and liabilities such as interest rate risks and credit risk. The Company on periodic basis reviews the risk associated with the financial assets and liabilities such as interest rate risks and credit risks.

(i) Interest rate risk management

Interest rate risk arises from the potential changes in interest rates that may have adverse effects on the Company in the reporting period or in future years.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans and debentures that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

Rs.in lakh

	31st March, 2017		31st March, 2016	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) Rs.703.92 lakh	(-) Rs.703.92 lakh	(+) Rs.485.36 lakh	(-) Rs.485.36 lakh
Effect on profit before tax	(-) Rs.703.92 lakh	(+) Rs.703.92 lakh	(-) Rs.485.36 lakh	(+) Rs.485.36 lakh

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

(ii) Credit risk management

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

The Companies cash inflows are secured under Power Purchase Agreement (PPA) with holding company and respective Power Procurers which are State Government utilities. Being a State Government undertaking credit risk is very low.

In respect of advance due from vendor Rs.7,258.92 (31st March, 2016 Rs.7,383.94, 1st April, 2015 Rs.Nil) which are backed by bank guarantees based on which Management concludes credit risk in respect of the same is low.

Financial assets that potentially expose the Company to credit risks are listed below:

	Amount in ₹ Lakh		
	31st March, 2017	31st March, 2016	1st April, 2015
Loans	41,089.63	-	-
Other financial assets	1,573.77	146.46	93.41

All of the above are due from the parties under normal course of the business and as such the company believe exposure to credit risk to be minimal.

(iii) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected maturity for financial Liabilities	Rs.in lakh				
	Up to 1 year	2 to 5 years	5+ years	Total	Carrying Amount
31st March, 2017					
Borrowings (including current maturity)	80,787.85	30,439.99	1,35,689.89	2,46,917.73	2,46,917.73
Interest payable on above borrowings	14,596.51	56,469.62	37,494.43	1,08,560.56	2,437.56
Trade Payables	1,296.41	-	-	1,296.41	1,296.41
Other Financial Liabilities	88,169.63	-	-	88,169.63	88,169.63
31st March, 2016					
Borrowings (including current maturity)	13,649.59	18,475.60	91,606.07	1,23,731.26	1,23,731.26
Interest payable on above borrowings	10,553.89	38,469.08	31,730.49	80,753.46	1,083.83
Trade Payables	605.53	-	-	605.53	605.53
Other Financial Liabilities	33,517.78	-	-	33,517.78	33,517.78
1st April, 2015					
Borrowings (including current maturity)	6,764.76	31,765.64	42,192.45	80,722.85	80,722.85
Interest payable on above borrowings	8,135.56	24,540.61	27,939.63	60,615.80	2,983.91
Trade Payables	415.85	-	-	415.85	415.85
Other Financial Liabilities	12,245.17	-	-	12,245.17	12,245.17

The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The amounts excludes financial guarantee contracts [refer note 23(b)] the Company could be forced to settle under the arrangements for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

Tata Power Renewable Energy Limited

Notes forming part of Financial Statements

29 The Company did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016.

30 The Company is into generation of power from wind and solar energy which is considered to be a single segment and there are no other reportable segment as per Ind AS 108 - Operating Segments.

31 Events occurring after reporting period:

There was no significant even after the end of the reporting period which require any adjustment or disclosure in the financial statement.

32 Approval of Financial Statements

The financial statements were approved by the board of director's on 15th May, 2017.

