

TATA POWER RENEWABLE ENERGY LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Power Renewable Energy Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

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 March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Impairment evaluation of assets (as described in note 2.5 and 3 of the standalone Ind AS financial statements)	
At the end of every reporting period, the Company assesses whether there is any indication that a	<ul style="list-style-type: none">Our audit procedures included considering the Company's accounting policies with respect to

<p>property, plant and equipment (PPE) or investment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the PPE or Investment.</p> <p>The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the long term financial projections.</p> <p>Impairment of assets is a key audit matter considering the significance of the carrying value, long term estimation and the significant judgements involved in the impairment assessment.</p>	<p>impairment in accordance with Ind AS 36 “Impairment of assets”</p> <ul style="list-style-type: none"> • We performed test of controls over impairment process through inspection of evidence of performance of these controls. • We performed the following tests of details: <ul style="list-style-type: none"> • We obtained the management’s impairment assessment • We evaluated the key assumptions including projected generation and weighted average cost of capital by comparing them with prior years and external data, where available. • We discussed the future business plans and financial projections with the management. • We evaluated the sensitivity analysis prepared by the Company • We assessed the disclosures in accordance with Ind AS 36 “Impairment of assets”.
<p><u>Recognition and recoverability of tax credit</u> (as described in note 29 of the standalone Ind AS financial statements)</p>	
<p>The Company has recognized Minimum Alternate Tax (MAT) credit receivable of Rs. 54.98 crore as at March 31, 2019.</p> <p>The recognition and recovery of MAT credit is a key audit matter as the recoverability of such MAT credit within the allowed time frame involves significant estimate of the financial projections, availability of sufficient taxable income in the future and significant judgements in the interpretation of tax regulations and tax positions adopted by the Company.</p>	<ul style="list-style-type: none"> • Our audit procedures included considering the Company's accounting policies with respect to recognition and recoverability of MAT credits in accordance with Ind AS 12 “Income Taxes” • We performed test of controls over recognition and recoverability of MAT credits through inspection of evidence of performance of these controls. • We performed the following tests of details: <ul style="list-style-type: none"> • We discussed the financial projections and future business plans with the management • We assessed the key assumptions used in the financial projections by comparing it to the approved business plan and projections used for impairment assessment where applicable • We involved our tax specialists who evaluated the reasonableness of the Company’s tax positions by comparing it with prior years and past precedents • Tested the arithmetical accuracy of the tax computations, future projections of taxable profits including its correlation with the annual business plans approved by the Board of Directors • We assessed the disclosures in accordance with the requirements of Ind AS 12 “Income Taxes”

Disputes with customers (as described in note 35 of the standalone Ind AS financial statements)	
<p>The Company sells power to various customers in accordance with the long term Power Purchase Agreements ('PPA') entered with them for respective power plants of the Company.</p> <p>One of the customer of the Company - Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL) is deducting the amount of Generation Based Incentive ('GBI') while making payment of power invoices. Total amount deducted till March 2019 is Rs. 19.56 crore.</p> <p>Disputes with customers is a key audit matter considering the significance of the amount and the judgement involved in assessing the realizability of trade receivables.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We read the relevant PPAs with the customer and evaluated relevant clauses to understand terms of PPA. • With respect to the disputed matter, we have obtained and read the case documents including petitions filed, grounds of appeal, respondent claims, any orders of the lower Courts or authorities including any similar cases. • We have read the legal opinions obtained by the management relating to the dispute to obtain understanding of the management's assessment of realization of disputed receivables. • We assessed the disclosure of the disputed matters in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

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

misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative Ind AS financial information of the Company for the corresponding year as at April 1, 2017 included in these Ind AS Financial Statements, were audited by the predecessor auditor whose report for the year ended March 31, 2017 dated May 15, 2017 expressed an unmodified opinion on those Ind AS financial statements. The comparative financial information is based on the previous Ind AS financial statements prepared in accordance with the principles laid down in the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and is adjusted for the differences as explained in note 32 of these Ind AS financial statements, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 26 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal

Partner

Membership Number: 112773

Place: Mumbai

Date: April 24, 2019

Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the standalone Ind AS financial statements of Tata Power Renewable Energy Limited

- (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) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to power generation and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
The Gujarat Professions Tax Act, 1976	Profession Tax	5,800	April 2018 – June 2018	July 15, 2018	Not paid	Awaiting registration

- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax Act, 2002	Value Added Tax	5,512,131	FY 2013-14	Appeal has been filed with Joint Commissioner of Sales Tax

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, 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) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

Firm Registration No. 324982E/E300003

per Abhishek Agarwal

Partner

Membership No.: 112773

Place: Mumbai

Date: April 24, 2019

Annexure 2 to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Tata Power Renewable Energy Limited

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

We have audited the internal financial controls over financial reporting of Tata Power Renewable Energy Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal

Partner

Membership Number: 112773

Place: Mumbai

Date: April 24, 2019

Balance Sheet as at 31st March, 2019

	Notes	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 * ₹ Crores	As at 01st April, 2017 * ₹ Crores
ASSETS				
Non-current Assets				
(a) Property, plant and equipment	3	4,545.13	3,706.96	2,532.48
(b) Capital Work-in-Progress		1,567.15	699.75	747.87
(c) Intangible Assets	3 A	0.78	-	-
(d) Financial Assets				
(i) Investments	4 A	3,818.01	3,818.01	3,887.92
(ii) Loans	5 A	298.77	262.77	0.21
(iii) Finance Lease Receivable	5 C	11.35	-	-
(iv) Other Financial Assets	6 A	29.17	8.03	-
(e) Deferred Tax Asset	16	-	19.57	0.23
(f) Non-current Tax Assets (Net)	7	7.92	11.38	7.14
(g) Other Non-current Assets	8 A	53.26	22.01	16.91
Total Non-current Assets		10,331.54	8,548.48	7,192.76
Current Assets				
(a) Financial Assets				
(i) Investments	4 B	42.16	33.27	266.55
(ii) Trade Receivables	9	167.60	60.54	39.40
(iii) Unbilled Revenue		70.14	58.60	37.32
(iv) Cash and cash Equivalents	10	31.53	27.41	72.44
(v) Bank Balances other than (iv) above	11	11.76	0.01	51.11
(vi) Loans	5 B	9.17	8.06	410.90
(vii) Finance Lease Receivable	5 C	0.32	-	-
(viii) Other financial assets	6 B	170.93	107.62	88.12
(b) Other Current Assets	8 B	7.47	1.80	0.95
Total Current Assets		511.08	297.31	966.79
Assets Classified as Held for Sale	11A	131.27	-	-
TOTAL ASSETS		10,973.89	8,845.79	8,159.55
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12 A	1,045.11	1,045.11	566.11
(b) Share Application Money Pending Allotment		-	-	168.00
(c) Unsecured Perpetual Securities	12 B	3,895.00	3,895.00	3,895.00
(d) Other Equity	13	138.40	102.73	66.60
Total Equity		5,078.51	5,042.84	4,695.71
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	3,067.15	2,826.91	1,661.30
(ii) Other Financial Liabilities	19	6.64	-	-
(b) Provisions	15	3.57	3.84	-
(c) Deferred Tax Liabilities (Net)	16	5.01	-	-
(d) Other Non-current Liabilities	17	99.63	82.70	66.95
Total Non-current Liabilities		3,182.00	2,913.45	1,728.25
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	1,058.98	495.60	794.76
(ii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises (Note no - 33)		0.03	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		24.64	20.17	12.96
(iii) Other Financial Liabilities	19	1,625.50	370.30	919.19
(b) Provisions	15	0.24	0.11	-
(c) Other Current Liabilities	20	3.99	3.32	8.68
Total Current Liabilities		2,713.38	889.50	1,735.59
Total Liabilities		5,895.38	3,802.95	3,463.84
TOTAL EQUITY AND LIABILITIES		10,973.89	8,845.79	8,159.55

* Restated (Refer Note 2.1, 32.1 & 32.2)

See accompanying notes forming part of the financial statements

For S R B C & Co LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

For and on behalf of the Board,

per Abhishek Agarwal
Partner
Membership No.: 112773

Ashish Khanna
Director

Ramesh Subramanyam
Director

Mahesh Paranjpe
Chief Executive Officer

Gautam Attravanam
Chief Financial Officer

Mona Purandare
Company Secretary

Mumbai, 24th April, 2019

Mumbai, 24th April, 2019

Statement of Profit and Loss for the year ended 31st March, 2019

	Notes	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 * ₹ Crores	
I	Revenue from operations	21	715.41	486.10
II	Other Income	22	86.58	173.46
III	Total Income (I + II)		801.99	659.56
IV	Expenses			
	Employee Benefits Expense	23	6.31	5.68
	Finance Costs	24	320.49	208.88
	Depreciation and Amortization Expenses	3	259.21	207.99
	Other Expenses	25	76.64	47.75
	Total Expenses		662.65	470.30
V	Profit Before Tax (III - IV)		139.34	189.26
VI	Tax Expense			
	Current Tax		22.43	17.60
	MAT Credit (Refer note 36)		(11.10)	(43.88)
	Deferred Tax (Refer note 29)		35.48	24.38
	Total Tax Expense		46.81	(1.90)
VII	Profit For The Period (V - VI)		92.53	191.16
VIII	Other Comprehensive Income			
A	Add/(Less):			
	(i) Items that will not be reclassified to profit and loss			
	(a) Remeasurement of the Defined Benefit Plans		0.56	0.47
	(ii) Tax relating to items that will not be reclassified to profit or loss			
	(a) Current Tax		-	-
	(b) Deferred Tax		0.20	0.16
	Total Other Comprehensive Income		0.36	0.31
IX	Total Comprehensive Income for the period (VII + VIII)		92.89	191.47
X	Earnings Per Equity Share (Face Value ₹ 10/- Per Share)	30		
	Basic (₹)		0.89	2.24
	Diluted (₹)		0.89	2.14

* Restated (Refer Note 2.1 & 32.3)

See accompanying notes forming part of the financial statements

For S R B C & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

For and on behalf of the Board,

per Abhishek Agarwal
Partner
Membership No.: 112773Ashish Khanna
DirectorRamesh Subramanyam
DirectorMahesh Paranjpe
Chief Executive OfficerGautam Attravanam
Chief Financial OfficerMona Purandare
Company Secretary

Mumbai, 24th April, 2019

Mumbai, 24th April, 2019

Tata Power Renewable Energy Limited

Cash Flow Statement for the year ended 31st March, 2019

Accounting Policy

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.

	For the year ended 31st March, 2019	Amount in ₹ Crores For the year ended 31st March, 2018 *
A. Cash Flow from Operating Activities		
Profit before tax	139.34	189.26
Adjustments for :		
Depreciation and Amortisation Expense	259.21	207.99
Finance Cost	320.49	208.88
Interest Income	(29.83)	(34.01)
Gain/loss on Sale of Current Investments	(10.90)	(12.97)
Dividend income	(40.35)	(125.33)
Other Non operating Income	(5.50)	(0.29)
Loss on Sale of non current investment	-	0.01
Provision for Doubtful debts	-	(0.50)
Amortisation of Deferred Revenue	6.76	7.37
Amortization of Leasehold Land	0.88	0.35
Amortization of Deferred expense and income	(2.82)	(0.04)
Operating profit before working capital changes	497.94	251.46
	637.28	440.72
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(107.06)	(21.14)
Other financial assets- current	11.70	62.59
Non current Loans	(0.08)	(0.10)
Current Loans	(0.28)	-
Other current assets	(5.02)	(0.73)
Finance lease	(11.67)	-
Other non-current assets	(19.93)	(4.67)
Unbilled revenue	(11.54)	(21.29)
	(143.88)	14.66
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	4.50	7.21
Other Current Financial Liabilities	(19.09)	-
Other Non Current financial liabilities	-	-
Other Non Current Provisions	(0.27)	3.83
Current Provisions	0.69	0.58
Other current liabilities	0.67	(5.36)
	(13.50)	6.26
Cash flow from operations	479.90	461.64
Income tax paid	(21.85)	(21.83)
Net cash flows from operations	458.05	439.81
B. Cash Flow from Investing Activities		
Payments for property, plant and equipment	(928.91)	(1,877.28)
Acquisition of lease hold land	(0.39)	(0.88)
Sale of Long-term Investments - in Subsidiary Companies	-	0.02
Payment for Long Term Investment - in Subsidiary Companies	-	(0.33)
Payment to acquire non current investment - acquisition cost	-	(51.63)
Purchase of Current Investments	(3,961.02)	(3,354.76)
Proceeds from Sale of Current Investments	3,922.72	3,601.01
Interest Received	27.09	46.57
Dividend received from subsidiary company	94.76	70.92
Other Non operating Income	5.50	0.29
Loans given to Subsidiaries	(158.23)	(197.92)
Repayment of loan by subsidiaries	124.52	338.80
Loans given to Holding company	402.10	-
Repayment of loan by Holding company	(402.10)	-
Bank Balance not considered as Cash and Cash Equivalents	(11.75)	51.11
Net cash flow used in investing activities	(885.71)	(1,374.08)
C. Cash flow from Financing Activities		
Proceeds from issue of Equity shares	-	311.00
Interest and Other Borrowing Cost paid	(260.29)	(172.86)
Proceeds from Long term borrowings	750.00	1,200.00
Repayment of Long term borrowings	(446.25)	(21.52)
Proceeds from Subordinated Loan from Holding Company	295.00	-
Repayment of Subordinated Loan from Holding Company	(295.00)	-
Proceeds from Short term borrowings	4,991.35	1,774.05
Repayment of Short term borrowings	(4,491.40)	(2,100.00)
Dividend Paid (including Dividend Distribution Tax)	(111.63)	(100.92)
Net cash (used in) / generated from financing activities	431.78	889.75
Net increase / (decrease) in cash and cash equivalents	4.12	(44.52)
Cash and cash equivalents at the beginning of the year	27.41	71.93
Cash and cash equivalents at the end of the period	31.53	27.41
Cash and cash equivalents comprises		
Balance with banks		
(a) in current account	28.28	27.41
(b) in deposit account	3.25	-
(c) in bank overdraft	-	-
	31.53	27.41

* Restated (Refer Note 2.1 & 32)

See accompanying notes forming part of the Financial Statements

Tata Power Renewable Energy Limited

Cash Flow Statement for the year ended 31st March, 2019

Reconciliation of liabilities from financing activities:

Particulars	As at 31.03.2018	Cash Flows		Non-cash Changes / Amortisation	Amount in ₹ Crores As at 31.03.2019
		Additions	Repayments		
Long term borrowings (including current maturity of long term borrowings)	2,845.66	750.00	(446.25)	2.13	3,151.54
Short term borrowings	495.60	4,991.35	(4,491.40)	63.43	1,058.98
Total	3,341.26	5,741.35	(4,937.65)	65.56	4,210.52

For S R B C & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

For and on behalf of the Board,

per Abhishek Agarwal
Partner
Membership No.: 112773

Ashish Khanna
Director

Ramesh Subramanyam
Director

Mahesh Paranjpe
Chief Executive Officer

Gautam Attravanam Mona Purandare
Chief Financial Officer Company Secretary

Mumbai, 24th April, 2019

Mumbai, 24th April, 2019

Tata Power Renewable Energy Limited

Statement of changes in equity for the year ended 31st March, 2019

A. Equity Share Capital

	₹ Crores	
	No. of Shares	Amount
Balance as at 1st April, 2017	566,107,715	566.11
Issue of Equity Shares during the period	479,000,000	479.00
Balance as at 31st March, 2018	1,045,107,715	1,045.11
Balance as at 1st April, 2018	1,045,107,715	1,045.11
Issue of Equity Shares during the period	-	-
Balance as at 31st March, 2019	1,045,107,715	1,045.11

B. Unsecured Perpetual Securities

	₹ Crores	
	No. of Securities	Amount
Balance as at 1st April, 2017	NA	3,895.00
Issue of Equity Shares during the period	NA	-
Balance as at 31st March, 2018		3,895.00
Balance as at 1st April, 2018	NA	3,895.00
Issue of Equity Shares during the period	NA	-
Balance as at 31st March, 2019		3,895.00

C. Other Equity

Particulars	Amount in ₹ Crores					
	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Other Comprehensive Income	Total
Balance as at 1st April, 2018	5.00	(17.41)	106.75	8.08	0.31	102.73
Profit for the period	-	92.53	-	-	0.36	92.89
Payment of dividends on equity shares - Interim \$	-	(40.34)	-	-	-	(40.34)
Payment of dividends on equity shares - Final \$\$	-	(14.00)	-	-	-	(14.00)
Tax on Dividend	-	(2.88)	-	-	-	(2.88)
Transfer to / from debenture redemption reserve	-	(5.44)	5.44	-	-	-
Balance as at 31st March, 2019	5.00	12.46	112.19	8.08	0.67	138.40

\$ Interim Dividend ₹ 0.3861 per share on 29th June, 2018.

\$\$ Final Dividend ₹ 0.1615 per share on 27th June, 2018.

Particulars	Amount in ₹ Crores					
	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Other Comprehensive Income	Total
Balance as at 1st April, 2017*	5.00	5.93	47.59	8.08	-	66.60
Profit for the period	-	191.16	-	-	0.31	191.47
Fair value of corporate guarantee	-	-	-	-	-	-
Payment of dividends on equity shares - Interim \$	-	(125.34)	-	-	-	(125.34)
Payment of dividends on equity shares - Final \$\$	-	(24.93)	-	-	-	(24.93)
Tax on Dividend	-	(5.07)	-	-	-	(5.07)
Transfer to debenture redemption reserve	-	(59.16)	59.16	-	-	-
Balance as at 31st March, 2018	5.00	(17.41)	106.75	8.08	0.31	102.73

* Restated (Refer Note 2.1 & 32.4)

\$ Interim Dividend ₹ 0.4164 per share on 29th June, 2017 and ₹ 0.4159 per share on 29th September, 2017 and ₹ 0.52 per share on 31st March 2018.

\$\$ Final Dividend ₹ 0.3245 per share on 05th September, 2017.

See accompanying notes forming part of the Financial Statements

For S R B C & Co LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

For and on behalf of the Board,

per Abhishek Agarwal
Partner
Membership No.: 112773

Ashish Khanna
Director

Ramesh Subramanyam
Director

Mahesh Paranjpe
Chief Executive Officer

Gautam Attravanam
Chief Financial Officer

Mona Purandare
Company Secretary

Mumbai, 24th April, 2019

Mumbai, 24th April, 2019

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

1. Corporate information:

Tata Power Renewable Energy Limited (TPREL) 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. Walwhan Renewable Energy Limited (WREL), Indo Rama Renewables Jath Limited (IRRJL) and Vagarai Windfarm Limited (VWL) are operating subsidiaries of the Company. Total MW generating capacity is given below:

Company	As at 31st March 2019 (in MW)			As at 31st March 2018 (in MW)		
	Solar	Wind *	Total	Solar	Wind	Total
TPREL *	472.77	354.20	826.97	270.00	354.20	624.20
WREL	864.00	146.00	1,010.00	864.00	146.00	1,010.00
IRRJL	-	30.00	30.00	-	30.00	30.00
VWL	-	21.00	21.00	-	21.00	21.00
Total	1,336.77	551.20	1,887.97	1,134.00	551.20	1,685.20

* Including wind asset of 32 MW classified as held for sale

400 MW of additional solar capacity is under construction.

Power generated from operating assets is generally sold under long term power sale agreements to central and state power procurement companies as well as to the holding company.

The Company is 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.

The financial statements are prepared in Indian Rupees.

2. Other Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (the Act) (as amended from time to time).

The accounting policies adopted are consistent with those of the previous financial year except as set out below:

2.1.1 Adoption of IND AS 115 Revenue from Contract with Customers

The Company adopted Ind AS 115 'Revenue from contract with customers' (Ind AS 115) effective 1st April 2018 using full retrospective method. Under the previous standard, the Company recognised revenue for power supplied at contracted rate as per power purchase agreement (PPA). The contracted rates are not even throughout the term of PPA in certain cases.

Under Ind AS 115, the Company has straight-lined the revenue recognition over the term of the PPA and has also made adjustment for appropriate financing component.

On application of Ind AS 115, the retained earnings as at 1st April 2017 is lower by ₹ 47.52 crore, net of tax effect. Refer Note 32 for restatement.

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

2.1.2 Adoption of amendment in IND AS 20 Accounting for Government Grants and Disclosure

As per the amendment, the Company has an option to present government grant by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

The Company had set up a deferred grant of ₹ 47.36 crore under other liabilities as on 31st March, 2018. Pursuant to the amendment, the Company has now opted to present the government grant by deducting the grant from the carrying amount of the asset. This government grant is to compensate the capital expenditure incurred by the Company and hence setting up of the grant against PPE will depict better presentation of the Company's net investment in property, plant and equipment.

Refer note 32 for restatement.

2.1.3 Delayed payment charges

Delayed payment charges were hitherto recognized only when they are realised/recovered. With effect from April 01, 2018, the Company has revised its accounting policy to recognize Delayed Payment Charges (DPC) on accrual basis based on contractual terms and an assessment of certainty of realization which could be based either an acknowledgement of the charges by the concerned customer or if a regulatory or statutory body passes a favourable order. Management believes that this policy results in the financial statements providing reliable and more relevant information about the effects of transaction on the Company's financial position and performance. The revision in accounting policy has been applied retrospectively and does not have any significant impact on current year's and previous year's statement of profit and loss and retained earnings as at March 31, 2017.

2.2 Basis of preparation and presentation

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

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit provision (refer note 25 for accounting policy)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant will be received. Government grant is recognised at fair value and is netted off from the cost of Property, Plant & Equipment.

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

2.5 Financial Instruments

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

Accounting Policy

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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 are added to or deducted from the fair value 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 fair value through profit or loss are recognised immediately in the statement of profit and loss.

Financial Assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular 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.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is 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 amount outstanding.

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 cash flows and selling financial assets 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 amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial assets at fair value through profit or loss

Financial assets except investments in subsidiary 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.

Investment in subsidiary

Investment in subsidiary is measured at cost less impairment as per Ind AS 27 - Separate Financial Statements.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of Profit & Loss account.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- (a) the right to receive Cash flows from the asset have expired, or
- (b) the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (i) the Company has transferred substantially all the risks and rewards of the asset, or
 - (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred

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

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

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 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.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity 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.

Equity Instruments

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

Financial liabilities

All financial liabilities are recognised initially at fair value and in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

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

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

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

2.6 Standards Issued but not yet effective

2.6.1 Ind AS 116 – Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

2.6.2 Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend paid which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

2.6.3 Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

2.6.4 Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

2.6.5 Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

2.A Use of Estimates, Assumptions and Judgements

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of impairment of assets - Note 3

Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 29

Estimation of defined benefit obligation - Note 15

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3. Property plant and equipment

Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are 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 the assets awarded in a competitive bid have been depreciated based on the useful lives of the assets on a 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.

Decapitalisation

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. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Impairment

Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the individual assets. These budgets and forecast calculations generally cover a period of five years. For longer periods, project future cash flows are calculated after considering expected PLF (plant load factor) and cost inflation.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

3. Property, Plant and Equipment (contd.)

Amount in ₹ Crores

Description	Freehold Land	Buildings	Roads	Plant and Equipment	Transmission lines and cable network	Total
Cost						
Balance as at 1st April, 2018	62.04	49.12	3.62	4,070.11	138.29	4,323.18
Additions	52.73	9.57	2.81	1,117.36	45.83	1,228.30
Reclassified as held for sale	3.17	-	-	188.55	-	191.72
Balance as at 31st March, 2019	111.60	58.69	6.43	4,998.92	184.12	5,359.76
Accumulated depreciation and impairment						
Balance as at 1st April, 2018	-	3.02	0.90	602.47	9.83	616.22
Depreciation Expense	-	2.12	0.47	249.33	7.23	259.15
Reclassified as held for sale	-	-	-	60.74	-	60.74
Balance as at 31st March, 2019	-	5.14	1.37	791.06	17.06	814.63
Net carrying amount						
As at 31st March, 2019	111.60	53.55	5.06	4,207.86	167.06	4,545.13
As at 31st March, 2018	62.04	46.10	2.72	3,467.64	128.46	3,706.96

1. Amount of borrowing cost capitalised is ₹ 15.92 Crores for the year ended 31st March, 2019.
2. The Company has created charge on certain assets in favour of lenders. Refer note 14.

Amount in ₹ Crores

Description	Freehold Land	Buildings - Plant	Roads	Plant and Equipment	Transmission lines and cable network	Total
Cost						
Balance as at 1st April, 2017	50.95	12.03	1.74	2,832.27	43.71	2,940.70
Additions	11.09	37.09	1.88	1,237.84	94.58	1,382.48
Disposals	-	-	-	-	-	-
Reclassified as held for sale	-	-	-	-	-	-
Balance as at 31st March, 2018	62.04	49.12	3.62	4,070.11	138.29	4,323.18
Accumulated depreciation and impairment						
Balance as at 1st April, 2017	-	1.85	0.47	400.18	5.72	408.22
Depreciation Expense	-	1.17	0.43	202.29	4.11	207.99
Balance as at 31st March, 2018	-	3.02	0.90	602.47	9.83	616.22
Net carrying amount						
As at 31st March, 2018	62.04	46.10	2.72	3,467.64	128.46	3,706.96
As at 1st April, 2017	50.95	10.18	1.27	2,432.09	37.99	2,532.48

Note: Amount of borrowing cost capitalised is ₹ 39.37 crores for the year ended 31st March, 2018.

3A. Intangible assets

Accounting Policy

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

Useful life of Intangible Assets

Intangible assets with finite life are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the Intangible Assets are as follows:

Type of asset	Useful life
Computer software	5 years

Amount in ₹ Crores

	Computer software	Total
Cost		
Balance as at 1st April, 2018	-	-
Additions	0.84	0.84
Disposal	-	-
Balance as at 31st March, 2019	0.84	0.84
Accumulated amortisation and impairment		
Balance as at 1st April, 2018	-	-
Amortisation expense	0.06	0.06
Impairment losses recognised in the statement of profit or loss	-	-
Balance as at 31st March, 2019	0.06	0.06
Net Block		
As at 31st March, 2019	0.78	0.78
As at 31st March, 2018	-	-
As at 1st April, 2017	-	-

Depreciation and Amortisation:

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Depreciation on Tangible Assets	259.15	207.99
Add: Amortisation on Intangible Assets	0.06	-
Total	259.21	207.99

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

Accounting Policy

Investments in Subsidiaries is measured at cost as per Ind AS-27- Separate Financial Statements.

4. Investments

	Face Value in Rs. Fully Paid	As at					
		31st March, 2019 Quantity	31st March, 2018 Quantity	01st April, 2017 Quantity	31st March, 2019 ₹ Crores	31st March, 2018 ₹ Crores	01st April, 2017 ₹ Crores
A Non - Current							
Investments carried at cost less accumulated impairment, if any							
Investment in Equity Shares of Subsidiary Companies (unquoted)							
Indo Rama Renewable Jath Limited	10	6,03,00,000	6,03,00,000	6,03,00,000	84.12	84.12	84.12
Poolavadi Windfarms Limited	10	50,000	50,000	50,000	0.05	0.05	0.05
Nivade Windfarms Limited	10	50,000	50,000	50,000	0.05	0.05	0.05
Supa Windfarms Limited	10	50,000	50,000	50,000	0.05	0.05	0.05
Tata Power Green Energy Limited	10	-	-	50,000	-	-	0.03
Walwhan Renewable Energy Limited * (formerly: Welspun Renewable Energy Private Limited)	10	61,13,55,942	61,13,55,942	61,13,55,942	3,733.36	3,733.36	3,803.57
Vagarai Windfarms Limited	10	3,78,000	3,78,000	50,000	0.38	0.38	0.05
Aggregate amount of unquoted investment					3,818.01	3,818.01	3,887.92

* The Company acquired 100% equity shares of Welspun Renewable Energy Private Limited (now Walwhan Renewable Energy Limited) on 14th September 2016 (Closing date). The purchase consideration was provisionally determined at ₹ 3,782.30 crores for the purpose of initial accounting. As per the Share purchase agreement, the consideration was to be adjusted for certain events existing at the closing date. During the previous year, the Company has adjusted the fair value of consideration by ₹ 70.21 crores and retrospectively adjusted the provisional amounts recognized at the acquisition date as per the requirements of Ind AS.

	Face Value in Rs. Fully Paid	As at					
		31st March, 2019 Quantity	31st March, 2018 Quantity	01st April, 2017 Quantity	31st March, 2019 ₹ Crores	31st March, 2018 ₹ Crores	01st April, 2017 ₹ Crores
B Current							
Investments carried at Fair Value through Profit and Loss							
Investments in Mutual Funds (Quoted)							
Axis Liquid Fund - Direct Plan - Growth	1,000	5,574.22	52,909.67	265,054.42	1.16	10.20	47.80
Baroda Pioneer Liquid Fund- Plan B (Direct)	1,000	-	-	88,860.29	-	-	16.62
BNP Paribas Liquid Fund - Direct - Growth	1,000	40,909.67	-	-	11.75	-	-
DHFL Pramerica Insta Cash Fund Direct Plan growth	100	137,890.36	-	-	3.35	-	-
DSP Blackrock Liquidity Fund - Direct Plan - Growth	1,000	30,658.57	7,669.92	41,487.91	8.20	1.91	9.65
Invesco India Credit Opportunities - Direct - Growth	1,000	-	3,212.00	-	-	0.65	-
Invesco India Liquid Fund - Direct Plan - Growth	1,000	53,070.51	64,308.71	317,905.59	13.65	15.38	71.17
JM High Liquidity Fund - Direct Plan - Growth	10	792,116.02	114,536.06	10,727,254.37	4.05	0.54	47.75
Kotak Liquid Fund - Direct Growth	1,000	-	90.92	-	-	0.03	-
L & T Liquid Fund - Direct - Growth	1,000	-	600.03	-	-	0.14	-
Sundaram Money Fund - Direct - Growth	10	-	-	16,064,421.48	-	-	55.09
Tata Money Market Fund - Direct Plan - Growth	1,000	-	16,124.56	72,065.78	-	4.42	18.47
Aggregate amount of quoted investment					42.16	33.27	266.55

5. Loans - At Amortised Cost

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
A. Non-current			
(i) Unsecured Loans to Related Parties, considered good			
Chirasthaayee Saurya Limited	79.50	79.50	-
Vagarai Windfarm Limited	128.13	114.96	-
Indo Rama Renewables Jath Limited	87.13	67.50	-
	<u>294.76</u>	<u>261.96</u>	<u>-</u>
(ii) Other Loans			
Unsecured, considered good			
Loan to Employees	0.08	-	-
(iii) Security Deposits			
Unsecured, considered good	3.93	0.81	0.21
Credit impaired	0.01	0.01	0.51
	<u>3.94</u>	<u>0.82</u>	<u>0.72</u>
Less: Allowance for Doubtful Deposits	0.01	0.01	0.51
	<u>3.93</u>	<u>0.81</u>	<u>0.21</u>
	<u><u>298.77</u></u>	<u><u>262.77</u></u>	<u><u>0.21</u></u>
	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
B. Current			
(i) Unsecured Loans to Related Parties, considered good			
Indo Rama Renewables Jath Limited	5.12	5.00	150.90
Vagarai Windfarm Limited	3.77	3.06	-
Walwhan Renewable Energy Limited (formerly: Welspun Renewable Energy Private Limited)	-	-	260.00
	<u>8.89</u>	<u>8.06</u>	<u>410.90</u>
(ii) Security Deposits			
Unsecured, considered good	0.28	-	-
	<u>9.17</u>	<u>8.06</u>	<u>410.90</u>

Disclosure under Regulation 53(f) and 34(3) read together with Para A Schedule V of Securities and Exchange Board of India (SEBI) (listing obligations and disclosure requirements) Regulations, 2015.

Loans and advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Joint Ventures and Associates:

Name of the Company	Relationship		Amount Outstanding as at the year end **	Maximum Principal Amount Outstanding during the year (excluding interest accrued)
			₹ Crores	₹ Crores
Indo Rama Renewables Jath Ltd.	Subsidiary	2019	92.25	102.50
		2018	72.50	150.90
		2017	150.90	150.90
Vagarai Windfarm Ltd.	Subsidiary	2019	131.91	135.68
		2018	118.02	118.02
		2017	-	-
Walwhan Renewable Energy Ltd.	Subsidiary	2019	-	-
		2018	-	260.00
		2017	260.00	260.00
Chirasthaayee Saurya Ltd.	Fellow Subsidiary	2019	84.97	79.50
		2018	82.34	79.50
		2017	-	-
Tata Power Trading Company Ltd.	Fellow Subsidiary	2019	-	80.00
		2018	-	-
		2017	-	-

Notes:

** Including interest accrued.
Previous year's figures are in italics.

5C Finance Lease Receivable
(Unsecured unless otherwise stated)

Accounting Policy

Leasing arrangement

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

The Company as lessor

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Finance Lease Receivable - Non-current	11.35	-	-
Finance Lease Receivable - Current	0.32	-	-
Total	11.67	-	-

5C.1. Leasing Arrangements

The Company has entered into Power Purchase Agreements (PPA) with various customers for its rooftop solar assets located across various locations. As this arrangement is dependent on the use of a specific asset and conveys a right to use on the customer, it qualifies as a lease. As these are long tenor PPAs spread over a major part of the economic life of the asset, this arrangement has been categorized as a finance lease.

5C.2 Amount receivable under Finance Lease

	Minimum Lease Payments			Present Value of Minimum Lease Payments		
	As at	As at	As at	As at	As at	As at
	31st March, 2019 ₹ Crores	31st March, 2018 ₹ Crores	01st April, 2017 ₹ Crores	31st March, 2019 ₹ Crores	31st March, 2018 ₹ Crores	01st April, 2017 ₹ Crores
Not later than one year	1.62	-	-	0.32	-	-
Later than one year and not later than five years	7.91	-	-	2.03	-	-
Later than five years	18.04	-	-	9.32	-	-
	27.57	-	-	11.67	-	-
Unearned finance income	15.90	-	-	-	-	-
Present value of minimum lease payments receivable	11.67	-	-	11.67	-	-
Allowance for uncollectible lease payments	-	-	-	-	-	-
	11.67	-	-	11.67	-	-

The interest rate inherent in the leases is constant in the contract for the entire lease term. The average effective interest rate contracted is approximately in the range of 9.00% - 13.00% per annum.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

6. Other Financial Assets

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
A. Non-current (At Amortised Cost)			
Government Grants Receivables *	29.17	8.03	-
Total	29.17	8.03	-
B. Current (At Amortised Cost)			
(i) Accruals			
Unsecured, considered good			
Interest Accrued on Bank Deposits	0.11	-	0.11
Interest Accrued on Loans and Advances to Related Parties			
Walwhan Renewable Energy Limited	-	-	15.31
Chirasthaayee Saurya Limited	5.47	2.85	-
	<u>5.58</u>	<u>2.85</u>	<u>15.42</u>
(ii) Others			
Unsecured, considered good			
Dividend Receivable	-	54.41	-
Receivable on sale of Current Investments	39.72	-	-
Other Receivables			
From Related Party			
Vagarai Windfarm Limited	-	10.00	-
Indo Rama Renewables Jath Limited	0.14	0.11	0.11
Walwhan renewable energy Ltd	0.92	-	-
Supa Windfarms Limited	0.04	-	-
Nivade Windfarms Limited	0.04	-	-
From Others	0.10	-	72.59
	<u>40.96</u>	<u>64.52</u>	<u>72.70</u>
(iii) Government Grants Receivables *	58.05	40.25	-
(iv) Claim against change in law	66.34	-	-
Total	170.93	107.62	88.12

* The Company is eligible for government grant for Charanka, Palaswadi phase II and Ananthapuram projects. The Company has recognised the same at fair value. Till date the Company has received the grant of ₹ 30.50 crore in full for Charanka project. It is in the process of creating charge on the other eligible project assets in the favour of Solar Energy Corporation of India. Once charge is created, the Company will file application for release of the grant.

7. Non-current tax Assets

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Advance Income-tax (Net of provision)	7.92	11.38	7.14
	<u>7.92</u>	<u>11.38</u>	<u>7.14</u>

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

8. Other Assets

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
A. Non-current			
(i) Capital Advances			
Capital Advances - Secured considered good	17.21	1.40	1.40
(ii) Balances with Government Authorities			
Service Tax paid under protest	2.15	-	-
Value Added Tax Receivable	2.94	2.94	2.48
(iii) Unamortised Premium for Leasehold Land			
Payments towards Leasehold Land	3.73	4.22	3.51
Deferred rent Expenses	26.50	11.75	9.52
(iv) Others			
Prepaid Expenses	0.73	1.70	-
Total	53.26	22.01	16.91
B. Current			
(i) Unamortised Premium for Leasehold Land			
Payment towards Leasehold Land	0.18	0.18	0.18
(ii) Other Loans and Advances			
Prepaid Expenses	1.67	0.97	0.45
Advances to Vendors	-	0.22	-
Deferred Rent Expense	0.89	0.24	0.14
Other Advances			
Employees	-	0.01	-
Others	4.73	0.18	0.19
	7.29	1.62	0.78
Less: Allowance for Bad and Doubtful Advances	-	-	-
	7.29	1.62	0.78
Total (i + ii)	7.47	1.80	0.95

9. Trade Receivables

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Trade Receivables-Unsecured, considered good	167.60	60.54	39.40
Total	167.60	60.54	39.40

Notes:

1)(a) The average credit period is 7 to 45 days in respect of receivables pertaining to sale of power. No interest is charged on trade receivables from date of receipt of invoice by customers till the end of the credit period defined in the Power Purchase Agreement (PPA). Thereafter, interest is charged at the rates prescribed under the PPA on the outstanding balance but this interest is recognised upon an assessment of certainty of realisation.

1)(b) In respect of Generation Benefit Incentive (GBI) receivables from 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) Age of receivables

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Within the credit period	41.77	29.68	8.55
1-90 days past due	49.11	14.53	12.59
91-182 days past due	34.97	2.88	11.82
More than 182 days past due	41.75	13.45	6.44

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

Trade Receivables (Contd.)

Ind AS 115 Disclosures
Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers.

Particulars	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 1st April, 2017 ₹ Crores
Contract assets	-	-	-
Contract liabilities			
Advance from customers	-	-	-
Deferred revenue from customers	99.63	82.70	66.95
Total Contract Liabilities	99.63	82.70	66.95
Receivables			
Trade receivables (Gross)	167.60	60.54	39.40
Unbilled revenue	70.14	58.60	37.32
Less : Allowances for doubtful debts	-	-	-
Net receivables	237.74	119.14	76.72
Total	138.11	36.44	9.77

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	Current Year		Previous Year	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening Balance	-	82.70	-	66.95
Less : Revenue recognized during the year from balance at the beginning of the year	-	-	-	-
Add : Advance received during the year not recognized as revenue	-	6.76	-	7.37
Interest income/expense for the year	-	10.17	-	8.38
Add : Revenue in respect of earlier years recognized during the year (Delayed payment charges received during the year in respect of earlier years and change in law in respect of earlier years)	-	-	-	-
Add : Revenue recognized during the year apart from above	-	-	-	-
Transfer from contract assets to receivables	-	-	-	-
Closing Balance	-	99.63	-	82.70

10. Cash and Cash Equivalents

Accounting Policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

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

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Balances with Banks:			
In Current Accounts	28.28	27.41	7.55
In Deposit Accounts (with original maturity less than three months)	3.25	-	64.89
	31.53	27.41	72.44

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Balances with Banks:			
In Current Accounts	28.28	27.41	7.55
In Deposit Accounts (with original maturity less than three months)	3.25	-	64.89
	31.53	27.41	72.44
Bank Overdraft	-	-	(0.51)
Total	31.53	27.41	71.93

11. Other Balances with Banks

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
(a) in deposit escrow account*	-	-	45.20
(b) in current escrow account*	-	-	5.90
(c) in deposit account (with original maturity of more than three months)	11.76	0.01	0.01
	11.76	0.01	51.11

* Pertaining to acquisition of 100% shares of Walwhan Renewable Energy Limited (formerly; Welspun Renewable Energy Pvt Ltd)

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

11A. Assets Classified as Held For Sale

Accounting Policy

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company treats sale/distribution of the asset or disposal group to be highly probable when:

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

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

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Property, Plant and Equipment [Refer note (i)]	130.98	-	-
Leasehold land	0.29	-	-
Total	131.27	-	-

- (i) During the year, the Company signed a binding term sheet for sale of its 32 MW wind project in Maharashtra. Subsequent to the year end, the Company signed a Business Transfer Agreement on 18th April, 2019 with the buyer. The sale transaction is likely to be concluded in next three months.

12 A. Equity - Share Capital

	As at 31st March, 2019		As at 31st March, 2018		As at 01st April, 2017	
	Number	₹ Crores	Number	₹ Crores	Number	₹ Crores
Authorised						
1,39,25,00,000 fully paid equity shares of ₹ 10 each	139,25,00,000	1,392.50	139,25,00,000	1,392.50	139,25,00,000	1,392.50
Issued						
1,04,51,07,715 fully paid equity shares of ₹ 10 each	104,51,07,715	1,045.11	1,045,107,715	1,045.11	56,61,07,715	566.11
Subscribed and Paid-up						
104,51,07,715 fully paid equity shares of ₹ 10 each	104,51,07,715	1,045.11	104,51,07,715	1,045.11	56,61,07,715	566.11
Total Issued, Subscribed and fully Paid-up Share Capital	104,51,07,715	1,045.11	1,045,107,715	1,045.11	566,107,715	566.11

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	As at 31st March, 2019	As at 31st March, 2018	As at 01st April, 2017
	Number of Shares	Number of Shares	Number of Shares
At the beginning of the year	1,045,107,715	566,107,715	506,107,715
Issued during the year	-	479,000,000	60,000,000
Outstanding at the end of the year	1,045,107,715	1,045,107,715	566,107,715

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

(iii) The entire share capital of the company is held by The Tata Power Company Limited, the holding company.

12 B. Unsecured Perpetual Securities

	As at 31st March, 2019	As at 31st March, 2018	As at 01st April, 2017
	₹ Crores	₹ Crores	₹ Crores
Opening balance	3,895.00	3,895.00	3,895.00
Add: Issued during the year	-	-	-
Closing balance	3,895.00	3,895.00	3,895.00

The Tata Power Company Limited (Holding Company) has provided ₹ 3,895 crore to the Company by way of unsecured perpetual securities. The securities are 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 these perpetual securities. 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.

13. Other Equity

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
A. Debenture Redemption Reserve			
Opening Balance	106.75	47.59	13.43
Add: Amount transferred from Retained Earnings	5.44	59.16	34.16
Closing Balance	112.19	106.75	47.59
B. Capital Reserve			
Opening Balance	8.08	8.08	8.08
Add: Amount transferred from Surplus in Statement of Profit and Loss	-	-	-
Closing Balance	8.08	8.08	8.08
C. Retained Earnings			
Opening balance	(17.10)	5.93	(25.41)
Add: Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.36	0.31	-
Profit for the year	92.53	191.16	68.65
Transfer from Debenture Redemption Reserve	-	-	-
Less: Dividend Declared (net of tax)			
Payment of dividends on equity shares - Interim	40.34	125.34	-
Payment of dividends on equity shares - Final	14.00	24.93	-
Tax on Dividend	2.88	5.07	-
Equity Component of Compound Financial Instrument	-	-	3.15
Transfer to Debenture Redemption Reserve	5.44	59.16	34.16
Closing Balance	13.13	(17.10)	5.93
D. Deemed equity contribution from holding company			
Opening Balance	5.00	5.00	5.00
Add: Fair value of corporate guarantee	-	-	-
Closing Balance	5.00	5.00	5.00
Total	138.40	102.73	66.60

Nature and purpose of reserves

Debenture Redemption Reserve

The Company 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 NewGen Saurashtra Windfarms Ltd. and cannot be utilized toward distribution of dividend.

Retained Earnings

Retained earnings are the profit of the Company earned till date net of appropriations.

Deemed equity contribution from holding company

The Tata Power Company has provided corporate guarantee of ₹ 2,235.00 Crores (₹ 2,735 Crores as on 31st March, 2018 and ₹ 2,225 crore as on 1st April, 2017) for TPREL NCD and term loan. This has benefited the company by way of its ability to raise loans at lower interest rate. As per IND AS 113, an entity shall measure the fair value of a liability using the assumptions that market participants would use when pricing the liability, assuming that market participants act in their economic best interest. Accordingly fair value was derived using interest saved approach. This amount is amortised over the period of loan against which guarantee was taken.

14. Non-current Borrowings

	As at 31st March, 2019		As at 31st March, 2018		As at 01st April, 2017	
	Non-current ₹ Crores	Current ₹ Crores	Non-current ₹ Crores	Current ₹ Crores	Non-current ₹ Crores	Current ₹ Crores
(A) Unsecured - At Amortised Cost						
Redeemable Non-Convertible Debentures [Refer Note (a) below]						
(a) 8.99% Series 2027	397.70	-	397.37	-	397.01	-
(b) 9.38% Series 2025	-	-	422.63	-	422.38	-
(c) 8.99% Series 2023	174.10	-	173.85	-	173.73	-
(d) 8.45% Series 2022	498.25	-	497.74	-	-	-
(A)	1,070.05	-	1,491.59	-	993.12	-
Term loan from Bank						
(a) HDFC Bank	467.45	30.00	497.11	-	298.85	-
(B)	467.45	30.00	497.11	-	298.85	-
(B) Secured - At Amortised Cost						
Term Loans from Banks						
(a) IDFC Bank [Refer Note (d) below]	88.83	9.97	98.81	9.50	108.30	9.02
(b) Kotak Mahindra Bank [Refer Note (b) below]						
(i) Term Loan -I (Rs 228 crs)	202.49	15.99	218.40	2.28	229.01	2.33
(ii) Term Loan -II (Rs 250 crs)	240.70	6.25	-	-	-	-
(c) Axis Bank [Refer Note (c) below]						
(i) Term Loan -I (Rs 500 crs)	486.23	5.00	490.95	5.00	-	-
(ii) Term Loan -II (Rs 500 crs)	483.54	15.00	-	-	-	-
	1,501.79	52.21	808.16	16.78	337.31	11.35
Term Loans from Others						
(a) IDFC Infrastructure Finance Limited [Refer Note (d) below]	27.86	2.18	30.05	1.97	32.02	1.77
	27.86	2.18	30.05	1.97	32.02	1.77
(C)	1,529.65	54.39	838.21	18.75	369.33	13.12
(A) + (B) + (C)	3,067.15	84.39	2,826.91	18.75	1,661.30	13.12

Security

- The Non-Convertible Debentures 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.
- 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 (Term Loan-I) & 50 MW Pavagada Solar B-27 (term Loan -II).
- 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 100 MW Pawagada solar project B-32 & B-34 (Term loan -I). 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. Mortgage for term loan -II is yet to be done and is in process.
- 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.

15. Provisions

Accounting Policy

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).

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Non-current			
Provision for Employee Benefits			
Compensated Absences	0.84	0.83	-
Gratuity	2.28	2.61	-
Post-Employment Medical Benefits	0.14	0.07	-
Other Defined Benefit Plans	0.08	0.17	-
Other Employee Benefits	0.23	0.16	-
Total	3.57	3.84	-
Current			
Provision for Employee Benefits			
Compensated Absences	0.01	0.01	-
Gratuity	0.05	0.05	-
Other Defined Benefit Plans	0.16	0.02	-
Other Employee Benefits	0.02	0.03	-
Total	0.24	0.11	-

15. Provisions.....(Contd.)
Employee benefit plan

15.1 Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by The Tata Power Company Limited and also to the Regional Provident Fund Commission. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Company does not expect any shortfall in the foreseeable future.

The Company has recognised ₹ 0.20 crores (31st March, 2018 - ₹ 0.14 Crores) for provident fund contributions and ₹ 0.08 Crores (31st March, 2018 - ₹ 0.08 Crores) for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

15.2 Defined benefit plans

The Company operates the following unfunded/funded defined benefit plans:

Unfunded:

Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Pension

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement.

Ex-Gratia Death Benefit

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

15.3 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31st March, 2019	31st March, 2018	01st April, 2017
Discount Rate	7.40% p.a.	7.70% p.a.	NA
Salary Growth Rate			
- Management	7.00% p.a.	7.00% p.a.	NA
- Non-Management	5.00% p.a.	5.00% p.a.	NA
Turnover Rate - Age 21 to 44 years			
- Management	2.50% p.a.	2.50% p.a.	NA
- Non-Management	0.50% p.a.	0.50% p.a.	NA
Turnover Rate - Age 45 years and above			
- Management	1.00% p.a.	1.00% p.a.	NA
- Non-Management	0.50% p.a.	0.50% p.a.	NA
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult	NA
Annual Increase in Healthcare Cost	8.00% p.a.	8.00% p.a.	NA

Unfunded Plan:	For the year ended 31st March, 2019 ₹ Crores
Balance as at 1st April, 2018	2.92
Current service cost	0.20
Past service cost	-
Interest Cost/(Income)	0.21
Amount recognised in statement of profit and loss	3.33
<u>Remeasurement (gains)/losses</u>	
Actuarial (gains)/losses arising from changes in financial assumptions	0.15
Actuarial (gains)/losses arising from changes in demographic assumptions	-
Actuarial (gains)/losses arising from experience	(0.62)
Amount recognised in other comprehensive income	(0.47)
Benefits paid	(0.28)
Acquisitions credit/(cost)	0.11
Balance as at 31st March, 2019	2.69

	For the year ended 31st March, 2018 ₹ Crores
Balance as at 1st April, 2017	-
Current service cost	0.14
Past service cost	-
Interest Cost/(Income)	0.15
Amount recognised in statement of profit and loss	0.29
<u>Remeasurement (gains)/losses</u>	
Actuarial (gains)/losses arising from changes in financial assumptions	(0.39)
Actuarial (gains)/losses arising from changes in demographic assumptions	0.07
Actuarial (gains)/losses arising from experience	(0.15)
Amount recognised in other comprehensive income	(0.47)
Benefits paid	(0.01)
Acquisitions credit/(cost)	3.11
Balance as at 31st March, 2018	2.92

15. Provisions....(Contd.)
Employee Benefit Plans

15.4 Sensitivity Analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption		Decrease in assumption	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Discount rate	0.50%	0.50%	(0.25)	(0.23)	0.28	0.26
Salary growth rate	0.50%	0.50%	0.25	0.24	(0.23)	(0.22)
Mortality rates	1 year	1 year	(0.01)	(0.00)	0.01	0.00
Healthcare cost	0.50%	0.50%	0.02	0.01	(0.02)	(0.01)
Claims Rate	5.00%	5.00%	(0.47)	(0.36)	-	0.05

The figures in bracket signifies reduction in liability.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

15.5 The expected maturity analysis of undiscounted defined benefit obligation is as follows:

Unfunded	31st March, 2019	31st March, 2018
Within 1 year	0.07	0.08
Between 1 - 2 years	0.09	0.07
Between 2 - 3 years	0.10	0.09
Between 3 - 4 years	0.11	0.11
Between 4 - 5 years	0.15	0.21
Beyond 5 years	1.06	1.81

The weighted average duration of the defined benefit obligation is 8.1 years (31st March, 2018 - 8.1 years).

15.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Inflation rate risk:

Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

16. Deferred Tax

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Deferred Tax Assets (DTA)	(93.84)	(69.74)	(19.54)
Deferred Tax Liabilities (DTL)	98.85	50.17	19.31
Total Net Deferred Tax (Asset) / Liability	5.01	(19.57)	(0.23)

For the year ended 31st March, 2019

Deferred Tax Liability on account of:

	Opening Balance	Recognised	Closing Balance
Property, plant and equipment	44.09	44.23	88.32
Mutual funds carried at FVTPL	0.08	0.30	0.38
EIR impact on borrowings	5.65	(0.74)	4.91
Leasehold Land	0.19	(0.19)	-
Finance Lease Receivable	-	4.07	4.07
Other financial liabilities	-	0.81	0.81
Other comprehensive income	0.16	0.20	0.36
Total DTL	50.17	48.68	98.85

Deferred Tax Assets on account of:

	Opening Balance	Recognised	Closing Balance
MAT credit	(43.88)	(11.10)	(54.98)
Deferred Revenue -Ind AS 115	(24.93)	(5.97)	(30.90)
Government grants	(0.60)	(1.59)	(2.19)
Other non-current financial assets	(0.33)	(0.18)	(0.51)
Unabsorbed Depreciation	-	(5.26)	(5.26)
Total DTA	(69.74)	(24.10)	(93.84)

For the year ended 31st March, 2018

Deferred Tax Liability on account of:

	Opening Balance	Recognised	Closing Balance
Property, plant and equipment	19.31	24.78	44.09
EIR impact on borrowings	-	5.65	5.65
Mutual funds carried at FVTPL	(0.11)	0.19	0.08
Other non-current financial assets	-	0.19	0.19
Other comprehensive income	-	0.16	0.16
Total DTL	19.20	30.97	50.17

Deferred Tax Assets on account of:

	Opening Balance	Recognised	Closing Balance
MAT credit	-	(43.88)	(43.88)
Deferred Revenue -Ind AS 115	(19.43)	(5.50)	(24.93)
Government grants	-	(0.60)	(0.60)
Other non-current financial assets	-	(0.33)	(0.33)
Total DTA	(19.43)	(50.31)	(69.74)

For the year ended 31st March, 2017

Deferred Tax Liability on account of:

	Opening Balance	Recognised	Closing Balance
Property, plant and equipment	9.91	9.40	19.31
EIR impact on borrowings	0.29	(0.29)	-
Total DTL	10.20	9.11	19.31

Deferred Tax Assets on account of:

	Opening Balance	Recognised	Closing Balance
MAT credit	-	-	-
Mutual funds carried at FVTPL	0.43	(0.54)	(0.11)
Deferred Revenue - Ind AS 115	(19.43)	-	(19.43)
Other non-current financial assets	(0.25)	(0.25)	-
Total DTA	(19.25)	(0.79)	(19.54)

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

17. Other Non-current Liabilities

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
(i) Deferred Revenue			
- Opening	82.70	66.95	-
- Add: Additions during the year	16.93	15.75	66.95
- Closing balance	99.63	82.70	66.95
Total Other Non-current Liabilities	99.63	82.70	66.95

18. Current Borrowings

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Unsecured - At Amortised Cost			
From Related Parties			
Af-Taab Investment Company Limited	125.00	-	-
From Banks			
Bank Overdraft	-	-	0.51
From Others			
Commercial Paper (maximum outstanding FY 19 Rs.1,300 crore, previous year FY 18 Rs.1,000 crore, FY 17 Rs 1,000 crore)	933.98	495.60	794.25
Total	1,058.98	495.60	794.76

19. Other Financial Liabilities

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Non-current			
Payable for capital supplies and services	6.64	-	-
Total	6.64	-	-
Current			
(a) Current Maturities of Long-term Debt (refer note 14)	84.39	18.75	13.12
(b) Interest accrued but not due on Borrowings	65.51	65.37	24.38
(c) Interest accrued but not due on Borrowings - related parties	0.22	-	-
(d) Payables for capital supplies and services	1,432.81	170.11	704.14
(e) Dividend payable to Holding Company	-	54.41	-
(f) Corporate guarantee commission payable to Holding Company	-	5.95	-
(g) Other Financial Liabilities	42.57	55.71	177.55
Total	1,625.50	370.30	919.19

20. Other Current Liabilities

	As at 31st March, 2019 ₹ Crores	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Statutory Liabilities	3.95	3.31	8.68
Other Liabilities	0.04	0.01	-
Total	3.99	3.32	8.68

21. Revenue from Operations

Revenue recognition

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

A. Sale of power

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

Under the previous standard, the Company recognized revenue on the basis of quantity of power supplied to procurers at contractually agreed rates as per the Power Purchase Agreement (PPA). As per Ind AS 115, the Company has identified supply of power over the term of PPA as a single performance obligation and is recognizing revenue over time using a single measure of progress.

Consumers are billed on a monthly basis and are given average credit period of 7 to 45 days for payment. No delayed payment charges ('DPC') is charged for the initial 30 days from the date of receipt of invoice by customers. Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization.

B. Delayed payment charges

Delayed payment charges were hitherto recognized only when they are realised/recovered. With effect from 01st April, 2018, the Company has revised its accounting policy to recognize Delayed Payment Charges (DPC) on accrual basis based on contractual terms and an assessment of certainty of realization which could be based either an acknowledgement of the charges by the concerned customer or if a regulatory or statutory body passes a favourable order. Management believes that this policy results in the financial statements providing reliable and more relevant information about the effects of transaction on the Company's financial position and performance. The revision in accounting policy has been applied retrospectively and does not have any significant impact on current year and previous year statement of profit and loss and retained earnings as at March 31, 2017.

C. Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive 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.

D. Unbilled Revenue

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

21. Revenue from Operations (Contd.)

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
(a) Revenue from contract with customers		
Revenue from Power Supply	682.50	443.42
(Less): Cash Discount	(6.43)	(2.98)
	676.07	440.44
(b) Other Operating Revenue		
Generation Based Incentive	30.12	28.62
Compensation Earned	4.19	15.68
Income from Finance Lease	0.56	-
Sale of Carbon Credits	-	1.08
Amortisation of Deferred Grant	2.82	0.04
Miscellaneous Revenue	1.65	0.24
	39.34	45.66
Total	715.41	486.10
Add : Significant financing component	10.17	8.38
Add : Cash Discount/Rebates etc.	6.43	2.98
Total revenue as per contracted price	732.01	497.46

Disclosure on Transaction Price - Remaining Performance Obligation

Revenue from Power Supply to be recognised

Within one year	54.61	54.68
Beyond one year	914.82	969.43
Total	969.43	1,024.11

22. Other Income

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
(a) Interest Income		
On Financial Assets held at Amortised Cost		
Interest on Banks Deposits	0.11	1.81
Interest on Income-tax Refund	0.09	-
Interest on loans to Subsidiaries	29.63	32.19
Other Interest	-	0.01
	29.83	34.01
(b) Dividend Income		
From Non-current Investments	40.35	125.33
Subsidiaries	40.35	125.33
(c) Gain on Investments		
Gain on fair value/sale of Current Investment measured at FVTPL	10.90	12.97
	10.90	12.97
(d) Other Non-operating Income		
Delayed Payment Charges	-	0.36
Miscellaneous Income	5.50	0.29
Provision for Doubtful Debts written back	-	0.50
	5.50	1.15
Total	86.58	173.46

23. Employee Benefits Expense

Accounting Policy

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Current and other non-current employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Salaries, Wages and Bonus	5.23	4.74
Contribution to Provident Fund	0.20	0.14
Contribution to Superannuation Fund	0.08	0.08
Retiring Gratuities	0.35	0.25
Leave Encashment	0.27	0.06
Pension	-	-
Staff Welfare Expenses	0.82	0.41
	6.95	5.68
Less:		
Employee Cost Capitalised	0.64	-
	0.64	-
Total Employee Benefit Expenses	6.31	5.68

24. Finance Costs
Accounting Policy

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production 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 investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

	<u>For the year ended</u> <u>31st March, 2019</u> <u>₹ Crores</u>	<u>For the year ended</u> <u>31st March, 2018</u> <u>₹ Crores</u>
(a) Interest Expense:		
Borrowings		
Interest on Debentures	105.72	122.52
Interest on Loans - Banks & Financial Institutions	137.21	87.10
Interest on Loans - Related Parties	8.89	-
Interest on Commercial Paper	63.43	27.30
Others		
Other Interest and Commitment Charges	0.08	0.02
	<u>315.33</u>	<u>236.94</u>
Less: Interest Capitalised	15.88	39.21
	<u>299.45</u>	<u>197.73</u>
(b) Other Borrowing Cost:		
Other Finance Costs	21.08	11.31
Less: Finance cost Capitalised	0.04	0.16
	<u>21.04</u>	<u>11.15</u>
	<u>320.49</u>	<u>208.88</u>

Note:

* The weighted average capitalisation rate on the Company's general borrowings is 8.28% per annum (8.12% per annum for 31st March, 2018).

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

25. Other Expenses

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Rental of Land, Buildings, Plant and Equipment, etc.	2.42	0.21
Repairs and Maintenance	46.83	18.17
Rates and Taxes	1.09	1.90
Insurance	3.17	3.50
Other Operation Expenses	0.02	0.83
Penalty	0.12	6.84
Travelling and Conveyance Expenses	0.94	0.37
Electricity Consumed	6.59	2.63
Other Fees	1.65	1.27
Business Development Expenditure	2.33	0.53
Consultants' Fees	1.03	2.22
Auditors' Remuneration	0.31	0.62
Cost of Services Procured	4.69	4.56
Amortisation of Leasehold Land	0.88	0.35
Legal Charges	0.99	1.00
Corporate Social Responsibility Expenses	1.42	1.00
Tata Brand Equity	1.88	1.32
Director's Fee	0.22	0.21
Loss on sale of investment	-	0.01
Miscellaneous Expenses	0.06	0.21
Total	76.64	47.75

(i) Payment to the auditors comprises (inclusive of service tax / Goods & Service Tax):

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Statutory Audit	0.18	0.27
For Taxation Matters	0.05	0.04
For Other Services	0.06	0.30
Reimbursement of Expenses	0.02	0.01
Total	0.31	0.62

(ii) Corporate Social Responsibility Expenses

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Contribution to Tata Power Community Development Trust	1.42	1.00
Expenses incurred by the Company	-	-
Total	1.42	1.00
Amount required to be spent as per section 135 of the Act	1.42	0.97
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	1.42	1.00

Tata Power Renewable Energy Limited
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26. Contingent Liabilities:

Accounting Policy

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.

(a) As at 31st March, 2019, there is ₹ NIL income tax dispute (₹ NIL as on 31st March, 2018; ₹ 1.24 crore as on 1st April, 2017).

(b) As at 31st March, 2019, there is a demand of ₹ 0.55 crore (₹ 0.55 crore as on 31st March, 2018; ₹ NIL as on 1st April, 2017) related to VAT Assessment for FY 2013-14. The company has filed an appeal against the aforesaid order.

The department has disallowed ₹ 0.67 crore of refund due to the company for VAT Assessment for FY 2014-15. The company is in the process of filing appeal against this order.

(c) During the year ended 31st March, 2019, service tax audit for the year 2013-14 to 2016-17 was carried out by GST audit department. Company has received an observation letter from the department with a service tax demand of ₹ 6.11 crore for the said year. Out of this, the Company has already accounted and paid ₹ 3.97 crore pertaining to FY 2015-16 to 2016-17 in respective years. It has paid the balance amount of ₹ 2.14 crore under protest to the department.

(d) The Company has provided Corporate Guarantee of ₹ 298.84 crore as on 31st March, 2019 (31st March, 2018 ₹ 78.90 crore; 01st April, 2017 ₹ 1,804.17 crores) on behalf of Walwhan Renewable Energy Limited (WREL).

(e) Bank Guarantee issued ₹ 313.01 crore (including ₹15.10 crore on behalf of WREL) as on 31st March, 2019 (31st March, 2018 ₹ 2,220.01 crore, including ₹ 15.10 crores and ₹ 1,740.49 crore, including ₹ 20.09 crore as on 1st April, 2017 on behalf of WREL).

(f) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company is consulting Legal counsel for further clarity and evaluating its impact on its financial statement.

27. Commitments :

(a) Estimated amount of contracts remaining to be executed (net of capital advance) on Capital account and not provided for ₹ 284.85 crores (31st March, 2018 ₹ 30.27 crore; 1st April, 2017 ₹ 246.16 crore).

(b) WREL has taken credit facility of ₹ 2,186.00 crore from State Bank of India. Against this facility of WREL, the Company has undertaken that it shall, without recourse to any of the assets of the WREL, bring in additional funds to meet any shortfall in debt servicing obligations of the WREL on account of any downward revision / re-negotiation in the tariff.

(c) Walwhan Solar MP Limited (WSML) has taken credit facility of ₹ 145.00 crore from Kotak Mahindra Bank. Against this facility, The Company has undertaken that it shall, without recourse to any of the assets of the (WSML), bring in additional funds to meet any shortfall in debt servicing obligations of the WSML on account of rating downgrade below AA- by any rating agency or more than 50% of receivables are due for more than 180 days.

28. 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

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

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

Subsidiaries	
Supa Windfarm Limited	India
Nivade Windfarm Limited	India
Poolavadi Windfarm Limited	India
Vagarai Windfarm Limited	India
Indo Rama Renewables Jath Limited (IRRJL)	India
Walwhan Renewable Energy Limited and its subsidiaries (WREL)	India

Fellow Subsidiaries (where transactions have taken place)	
Tata Power Green Energy Limited	India
Tata Power Solar Systems Limited (TPSSL)	India
Tata Power Trading Company Limited (TPTCL)	India
Af-Taab Investment Company Limited	India
Chirasthaayee Saurya Limited (CSL)	India

Others	
Tata Sons Private Limited (Promoter of the Holding company)	India
Tata AIG General Insurance Company Limited (Joint Venture of Tata Sons Private Limited)	India

Key Management Personnel	Relationship
Mahesh Paranjpe	Chief Executive Officer, with effect from 21st June, 2018
Rahul Shah	Director, resigned with effect from 30th June,2018
Jinendra Patil	Chief Financial Officer, resigned with effect from 05th November, 2018
Gautam Attravanam	Chief Financial Officer, with effect from 05th November, 2018
Mona Purandare	Company Secretary
Nawshir Mirza	Independent Director
Sanjay Bhandarkar	Independent Director
Anjali Kulkarni	Director, resigned with effect from 05th July,2018
Anjali Bansal	Independent Director with effect from 19th July, 2018

28 (b) Details of Transactions / Balances Outstanding:

Amount in ₹ Crore

Particulars	TPCL	WREL	IRRJL	VWL	CSL	TPSSL	TPTCL
Operation / Project Management Service	3.64 6.01	-	-	-	-	-	-
Receiving of Services	2.50 0.59	-	-	-	-	19.24 6.25	- 0.02
Other Income	-	-	0.05 0.05	-	-	-	-
Purchase of Fixed asset	-	-	-	-	-	1,885.79 1,298.37	-
Guarantees given including corporate guarantee	-	298.84	-	-	-	-	-
Guarantees taken including corporate guarantee	-	-	-	-	-	-	-
	2,210.00	-	-	-	-	-	-
Guarantees returned including corporate guarantee	500.00 1,700.00	78.89 1,730.28	-	-	-	-	-
Fair value of corporate guarantee	-	-	-	-	-	-	-
	661.49	-	-	-	-	-	-
Interest Expenditure	2.36	3.09	-	-	-	-	-
Interest Income	2.03 -	- 16.41	7.60 10.48	13.37 2.14	6.36 3.16	-	0.28 -
Dividend Received	-	40.35 125.32	-	-	-	-	-
Dividend Paid	54.35 150.25	-	-	-	-	-	-
Borrowings Received	295.00	191.40	-	-	-	-	-
Borrowings Repaid (including conversion in equity)	295.00	191.40	-	-	-	-	-
Equity Contribution (including Share Application Money pending for allotment and conversion of debt)	-	-	-	-	-	-	-
	479.00	-	-	-	-	-	-
Investment in equity (including conversion)	-	-	-	0.33	-	-	-
Sale of Power	63.61 64.07	-	-	-	-	-	-
Cash Discount given	0.78 0.83	-	-	-	-	-	-
Loans given or assigned	402.10	-	30.50	17.66	-	-	110.00
	-	-	-	118.42	79.50	-	-
Loans given (received back)	402.10	-	10.75	3.77	-	-	110.00
	-	260.00	78.40	0.40	-	-	-
Expenses incurred on behalf of	0.45	-	-	-	-	-	-
	-	-	0.97	0.52	-	-	-
Sale of Investment	-	-	-	-	-	-	-
	0.02	-	-	-	-	-	-
Received on account of Third party	-	-	-	10.00	-	-	-
	-	-	-	62.59	-	-	-
Balance Outstanding							
Perpetual securities outstanding	3,895.00 3,895.00 3,895.00	-	-	-	-	-	-
Loan given outstanding (including interest accrued thereon)	-	-	92.25 72.50 150.90	131.91 118.02	84.97 62.34	-	-
Dividend Payable	- 54.41	-	-	-	-	-	-
Other Payables	3.27 6.68 4.42	-	-	-	-	1,410.82 153.77 357.23	-
Other Receivable	5.66 4.45 5.19	0.92 54.41 0.04	0.13 0.10 0.06	10.00	-	-	-
Fair value of corporate guarantee	5.00 5.00 5.00	-	-	-	-	-	-
Guarantees given on behalf of TPREL	2,235.00 2,735.00 2,225.00	-	-	-	-	-	-
Guarantees given on behalf of WREPL	-	313.94 93.99 1,824.27	-	-	-	-	-

28 (b) Details of Transactions / Balances Outstanding...(Contd.)

Amount in ₹ Crore

Particulars	Supa	Nivade	TPGEL	Af-Taab	Tata AIG	Tata Sons	Key Management Personnel
Operation / Project Management Service	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	2.50	-	-
	-	-	-	-	6.11	-	-
Other Income	-	-	-	-	-	-	-
Insurance claim Received	-	-	-	-	1.50	-	-
Purchase of Fixed asset	-	-	-	-	-	-	-
Guarantees given including corporate guarantee	-	-	-	-	-	-	-
Guarantees taken including corporate guarantee	-	-	-	-	-	-	-
Guarantees returned including corporate guarantee	-	-	-	-	-	-	-
Guarantee issued including corporate guarantee	-	-	-	-	-	-	-
Guarantee returned including corporate guarantee	-	-	-	-	-	-	-
Fair value of corporate guarantee	-	-	-	-	-	-	-
Interest Expenditure	-	-	-	3.43	-	-	-
Interest Income	-	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-
Perpetual securities issued	-	-	-	-	-	-	-
Borrowings Received	-	-	-	125.00	-	-	-
Borrowings Repaid (including conversion in equity)	-	-	-	-	-	-	-
Equity Contribution (including Share Application Money pending for allotment and conversion of debt)	-	-	-	-	-	-	-
Investment in equity (including conversion)	-	-	-	-	-	-	-
Sale of Power	-	-	-	-	-	-	-
Cash Discount given	-	-	-	-	-	-	-
Loans given or assigned	-	-	-	-	-	-	-
Loans given (received back)	-	-	-	-	-	-	-
Expenses incurred on behalf of	0.04	0.04	0.03	-	-	-	-
Remuneration *	-	-	-	-	-	-	2.46
	-	-	-	-	-	-	2.58
Sale of Investment	-	-	-	-	-	-	-
Loss on Sale of Investment	-	-	-	-	-	-	-
Received on account of Third party	-	-	-	-	-	-	-
Tata Brand Equity	-	-	-	-	-	1.78	-
	-	-	-	-	-	1.17	-
Balance Outstanding							
Loans taken (including Interest thereon)	-	-	-	125.22	-	-	-
	-	-	-	-	-	-	-
Perpetual securities outstanding	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Loan given outstanding (including interest accrued thereon)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Dividend receivable	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Dividend Payable	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	1.78	-
	-	-	-	-	-	1.17	-
Other Receivable	0.04	0.04	0.03	-	0.01	-	-
	-	-	-	-	-	-	-
Fair value of corporate guarantee	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Guarantees given on behalf of TPREL	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Guarantees given on behalf of WREPL	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Above related party transactions are in ordinary course of business and are at arm's length.

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Note: Previous year's figures are in Italics. Comparative period of the movement is for the period 01st April, 2017 to 31st March, 2018 and closing balance is for the year ended 31st March, 2018 and 01st April, 2017

29 Tax expense reconciliation

Accounting Policy

(i) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income taxes recognised in the statement of profit and loss

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Current tax		
In respect of the current year	22.00	17.20
In respect of the previous years	0.43	0.40
Total income tax expense recognised in the current year	22.43	17.60

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

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores
Profit before tax	139.34	189.26
Income tax expense calculated at 34.944% (PY: 34.608%)	48.69	65.50
Effect of expenses that are not deductible in determining taxable profit	1.31	2.60
Effect of expenses that are deductible in determining taxable profit	-	-
Effect of non-taxable income	(14.10)	(43.37)
Effect of Tax Holiday period	0.42	(3.57)
Effect of MAT recognition for earlier years	-	(28.66)
Effect of deferred tax pertaining to previous year	-	3.09
Effect of deferred tax recognised on unamortised upfront fees	(0.72)	2.68
Effect of MAT credit for earlier years	10.90	-
Effect of Tax on Other Items	0.31	(0.45)
Effect of deferred tax balances due to changes in income tax rate from 34.608% to 34.944%	-	0.28
Income tax expense recognised in statement of profit or loss	46.81	(1.90)

1. The tax rate used for the year 2018-19 and 2017 - 18 is the corporate tax rate of 34.944% and 34.608% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

2. The Company has to pay taxes based on the higher of income tax profit of the company or MAT at 21.549% and 21.342% of book profit for the year 2018-19 and 2017-18 respectively.

3. The rate used for calculation of deferred tax is 34.944% for 2017-18 and 2018-19.

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30 Earnings per Share:

Accounting Policy

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

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

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Basic		
Net profit for the period attributable to equity shareholders (₹ crores)	92.53	191.16
Weighted Average Number of Equity Shares for Basic EPS (Nos)	1,045,107,715	854,406,345
Par value per equity share (₹)	10.00	10.00
Basic Earnings Per Share (₹)	0.89	2.24
Diluted		
Net profit for the period attributable to equity shareholders (₹ crores)	92.53	191.16
Profit attributable to equity shareholders on dilution (₹ crores)	92.53	191.16
The weighted average number of equity shares for Basic EPS (Nos)	1,045,107,715	854,406,345
Add: Effect of Share application money pending allotment	-	40,460,274
Weighted average number of equity shares for Diluted	1,045,107,715	894,866,619
Par value per equity share (₹)	10.00	10.00
Diluted Earnings Per Share (₹)	0.89	2.14

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

31 a) Financial Instruments

(i) Fair Value

The carrying value of financial instruments by categories as of 31st March, 2019 is as follows:

Amount in ₹ Crore

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
Assets :					
Cash and Cash Equivalents	-	-	31.53	31.53	31.53
Trade Receivables	-	-	167.60	167.60	167.60
Unbilled Revenue	-	-	70.14	70.14	70.14
Investments (mutual funds)	42.16	-	-	42.16	42.16
Other balances with banks	-	-	11.76	11.76	11.76
Loans	-	-	307.94	307.94	307.94
Finance lease receivable	-	-	11.67	11.67	11.67
Other financial assets	-	-	200.10	200.10	200.10
Total	42.16	-	800.74	842.90	842.90
Liabilities :					
Fixed rate borrowings (including current maturities)	-	-	653.30	653.30	617.34
Floating rate borrowings (including current maturities)	-	-	3,557.22	3,557.22	3,591.98
Trade Payables	-	-	24.67	24.67	24.67
Other Financial Liabilities	-	-	1,547.75	1,547.75	1,547.75
Total	-	-	5,782.94	5,782.94	5,781.74

The carrying value of financial instruments by categories as of 31st March, 2018 is as follows:

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
Assets :					
Cash and Cash Equivalents	-	-	27.41	27.41	27.41
Trade Receivables	-	-	60.54	60.54	60.54
Unbilled Revenue	-	-	58.60	58.60	58.60
Investments (mutual funds)	33.27	-	-	33.27	33.27
Other balances with banks	-	-	0.01	0.01	0.01
Loans	-	-	270.83	270.83	270.83
Other financial assets	-	-	115.65	115.65	115.65
Total	33.27	-	533.04	566.31	566.31
Liabilities :					
Fixed rate borrowings (including current maturities)	-	-	497.74	497.74	500.23
Floating rate borrowings (including current maturities)	-	-	2,843.52	2,843.52	2,852.05
Trade Payables	-	-	20.17	20.17	20.17
Other Financial Liabilities	-	-	351.55	351.55	351.55
Total	-	-	3,712.98	3,712.98	3,724.00

The carrying value of financial instruments by categories as of 1st April, 2017 is as follows:

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
Assets :					
Cash and Cash Equivalents	-	-	72.44	72.44	72.44
Trade Receivables	-	-	39.40	39.40	39.40
Unbilled Revenue	-	-	37.32	37.32	37.32
Investments (mutual funds)	266.55	-	-	266.55	266.55
Other balances with banks	-	-	51.11	51.11	51.11
Loans	-	-	411.11	411.11	411.11
Other financial assets	-	-	88.12	88.12	88.12
Total	266.55	-	699.50	966.05	966.05
Liabilities :					
Fixed rate borrowings (including current maturities)	-	-	-	-	-
Floating rate borrowings (including current maturities)	-	-	2,469.18	2,469.18	2,478.72
Trade Payables	-	-	12.96	12.96	12.96
Other Financial Liabilities	-	-	906.07	906.07	906.07
Total	-	-	3,388.21	3,388.21	3,397.75

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

(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.

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 value disclosures are required) :

Amount in ₹ Crore				
As at 31.03.2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Investment	42.16	-	-	42.16
Total	42.16	-	-	42.16
As at 31.03.2018				
Financial Assets				
Mutual Fund Investment	33.27	-	-	33.27
Total	33.27	-	-	33.27
As at 01.04.2017				
Financial Assets				
Mutual Fund Investment	266.55	-	-	266.55
Total	266.55	-	-	266.55

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 value disclosures are required) :

Amount in ₹ Crore				
As at 31.03.2019	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Fixed rate borrowings (including current maturity)	492.34	125.00	-	617.34
Floating rate borrowings (including current maturity)	576.52	3,015.46	-	3,591.98
Total	1,068.86	3,140.46	-	4,209.32
As at 31.03.2018				
Financial Liabilities				
Fixed rate borrowings (including current maturity)	500.23	-	-	500.23
Floating rate borrowings (including current maturity)	1,002.38	1,849.67	-	2,852.05
Total	1,502.61	1,849.67	-	3,352.28
As at 01.04.2017				
Financial Liabilities				
Fixed rate borrowings (including current maturity)	-	-	-	-
Floating rate borrowings (including current maturity)	1,002.66	1,476.06	-	2,478.72
Total	1,002.66	1,476.06	-	2,478.72

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

The carrying amount of other non-current financial assets are considered to be a close approximate to their fair value.

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 closely approximate to their fair value.

b) Capital Management:

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores	For the year ended 01st April, 2017 ₹ Crores
(i) Debt	4,276.25	3,406.62	2,493.56
Less : Cash and Bank balances (including cash and bank balances in a disposal group)	43.29	27.42	123.56
Net debt	4,232.96	3,379.20	2,370.00
(ii) Total Equity	5,078.51	5,042.84	4,743.23
Net debt to equity ratio (%)	83.35%	67.01%	49.97%

(i) Debt is defined as non-current borrowings (including current maturities) and current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on non-current and current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

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. The following is the summary of the main risks:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments and FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at 31st March, 2019, 31st March, 2018 and 01st April, 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(i) Interest rate risk sensitivity

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:

	As of 31st March, 2019		As of 31st March, 2018		As of 01st April, 2017	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) Rs. 13.87 crs	(-) Rs. 13.87 crs	(+) Rs. 9.98 crs	(-) Rs. 9.98 crs	(+) Rs. 7.04 crs	(-) Rs. 7.04 crs
Effect on profit before tax	(-) Rs. 13.87 crs	(+) Rs. 13.87 crs	(-) Rs. 9.98 crs	(+) Rs. 9.98 crs	(-) Rs. 7.04 crs	(+) Rs. 7.04 crs

(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 Company's 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 ₹ NIL (31st March, 2018 ₹ NIL, 1st April, 2017 ₹ 72.59 crore) 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:

	For the year ended 31st March, 2019 ₹ Crores	For the year ended 31st March, 2018 ₹ Crores	For the year ended 01st April, 2017 ₹ Crores
Loans	307.94	270.83	411.11
Other financial assets	200.10	115.65	88.12

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.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

(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

Expected maturity for financial Liabilities	₹ Crores				
	Up to 1 year	2 to 5 years	5+ years	Total	Carrying Amount
31st March, 2019					
Borrowings (including current maturity)	1,159.39	1,284.01	1,797.18	4,240.58	4,210.52
Interest payable on above borrowings	280.79	942.52	610.53	1,833.84	65.73
Trade Payables	24.67	-	-	24.67	24.67
Other Financial Liabilities	1,475.38	6.64	-	1,482.02	1,482.02
31st March, 2018					
Borrowings (including current maturity)	516.69	1,470.29	1,358.67	3,345.65	3,341.25
Interest payable on above borrowings	241.88	1,036.68	382.14	1,660.70	65.37
Trade Payables	20.17	-	-	20.17	20.17
Other Financial Liabilities	370.30	-	-	370.30	370.30
01st April, 2017					
Borrowings (including current maturity)	807.88	304.40	1,356.90	2,469.18	2,469.18
Interest payable on above borrowings	145.97	564.70	374.94	1,085.61	24.38
Trade Payables	12.96	-	-	12.96	12.96
Other Financial Liabilities	881.70	-	-	881.70	881.70

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. 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 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 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.

(iv) **Financing facilities**

	For the year ended	For the year ended	For the year ended
	31st March, 2019	31st March, 2018	01st April, 2017
	₹ Crores	₹ Crores	₹ Crores
<i>Unsecured bank overdraft, reviewed annually and payable at call:</i>			
Amount used	-	-	0.51
Amount unused	60.00	60.00	59.49

32 Restated Financial Statements for the year ended 31st March, 2018 and 1st April, 2017

32.1 Restated Balance Sheet as at 31st March, 2018

All amount are in ₹ crores unless otherwise stated

Particulars	Refer Note below	Reported amount as at 31st March, 2018	Restatements / Regrouping	Restated amount as at 31st March, 2018
ASSETS				
Non-current Assets				
(a) Property, plant and equipment	1	3,754.32	(47.36)	3,706.96
(b) Capital Work-in-Progress		699.75	-	699.75
(c) Financial Assets				
(i) Investments		3,818.01	-	3,818.01
(ii) Loans	2	261.96	0.81	262.77
(iii) Other Financial Assets	2	8.84	(0.81)	8.03
(d) Deferred Tax Asset	3	-	19.57	19.57
(e) Non-current Tax Assets (Net)		11.38	-	11.38
(f) Other Non-current Assets		22.01	-	22.01
Total Non-current Assets		8,576.27	(27.79)	8,548.48
Current Assets				
(a) Financial Assets				
(i) Investments		33.27	-	33.27
(ii) Trade Receivables		60.54	-	60.54
(iii) Unbilled Revenue		58.60	-	58.60
(iv) Cash and cash Equivalents		27.41	-	27.41
(v) Bank Balances other than (iv) above		0.01	-	0.01
(vi) Loans		8.06	-	8.06
(vii) Other financial assets		107.62	-	107.62
(b) Other Current Assets		1.80	-	1.80
Total Current Assets		297.31	-	297.31
TOTAL ASSETS		8,873.57	(27.79)	8,845.78
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		1,045.11	-	1,045.11
(b) Unsecured Perpetual Securities		3,895.00	-	3,895.00
(c) Other Equity		160.49	57.76	102.73
Total Equity		5,100.60	57.76	5,042.84
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		2,826.91	-	2,826.91
(b) Provisions		3.84	-	3.84
(c) Deferred Tax Liabilities (Net)	3	5.36	5.36	-
(d) Other Non-current Liabilities	1 & 3	45.65	(37.05)	82.70
Total Non-current Liabilities		2,881.76	(31.69)	2,913.45
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		495.60	-	495.60
(ii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small		20.17	-	20.17
(iii) Other Financial Liabilities		370.30	-	370.30
(b) Provisions		0.11	-	0.11
(c) Other Current Liabilities	1	5.03	1.71	3.32
Total Current Liabilities		891.21	1.71	889.50
Total Liabilities		3,772.97	(29.98)	3,802.95
TOTAL EQUITY AND LIABILITIES		8,873.57	27.79	8,845.79

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

32.2 Restated Balance Sheet as at 1st April, 2017

All amount are in ₹ crores unless otherwise stated

Particulars	Refer Note below	Reported amount as at 1st April, 2017	Restatements / Regrouping	Restated amount as at 1st April, 2017
ASSETS				
Non-current Assets				
(a) Property, plant and equipment		2,532.48	-	2,532.48
(b) Capital Work-in-Progress		747.87	-	747.87
(c) Financial Assets				
(i) Investments		3,887.92	-	3,887.92
(ii) Loans	2	-	0.21	0.21
(iii) Other Financial Assets	2	0.21	(0.21)	-
(d) Deferred Tax Asset	3	-	0.23	0.23
(e) Non-current Tax Assets (Net)		7.14	-	7.14
(f) Other Non-current Assets		16.91	-	16.91
Total Non-current Assets		7,192.53	0.23	7,192.76
Current Assets				
(a) Financial Assets				
(i) Investments		266.55	-	266.55
(ii) Trade Receivables		39.40	-	39.40
(iii) Unbilled Revenue		37.32	-	37.32
(iv) Cash and cash Equivalents		72.44	-	72.44
(v) Bank Balances other than (iv) above		51.11	-	51.11
(vi) Loans		410.90	-	410.90
(vii) Other financial assets		88.12	-	88.12
(b) Other Current Assets		0.95	-	0.95
Total Current Assets		966.79	-	966.79
TOTAL ASSETS		8,159.32	0.23	8,159.55
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		566.11	-	566.11
(b) Share Application Money Pending Allotment		168.00	-	168.00
(c) Unsecured Perpetual Securities		3,895.00	-	3,895.00
(d) Other Equity	3	114.12	47.52	66.60
Total Equity		4,743.23	(47.52)	4,695.71
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		1,661.30	-	1,661.30
(b) Deferred Tax Liabilities (Net)	3	19.20	19.20	-
(c) Other Non-current Liabilities	1 & 3	-	(66.95)	66.95
Total Non-current Liabilities		1,680.50	(47.75)	1,728.25
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		794.76	-	794.76
(ii) Trade Payables				
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		12.96	-	12.96
(iii) Other Financial Liabilities		919.19	-	919.19
(b) Other Current Liabilities		8.68	-	8.68
Total Current Liabilities		1,735.59	-	1,735.59
Total Liabilities		3,416.09	(47.75)	3,463.84
TOTAL EQUITY AND LIABILITIES		8,159.32	(0.23)	8,159.55

32.3 Restated Statement of Profit and Loss for the year ended 31st March, 2018

All amount are in ₹ crores unless otherwise stated

Particulars	Refer Note	Reported amount for the year ended 31st March, 2018	Restatements	Restated amount for the year ended 31st March, 2018
I Revenue from operations	1 & 3	494.39	(8.29)	486.10
II Other Income		173.46	-	173.46
III Total Income (I + II)		667.85	(8.29)	659.56
IV Expenses				
Employee Benefits Expense		5.68	-	5.68
Finance Costs	3	200.50	8.38	208.88
Depreciation and Amortisation Expenses	1	208.91	(0.92)	207.99
Other Expenses		47.75	-	47.75
Total Expenses		462.84	7.46	470.30
V Profit Before Tax (III + IV)		205.01	(15.75)	189.26
VI Tax Expense				
Current Tax		17.60	-	17.60
MAT Credit		(43.88)	-	(43.88)
Deferred Tax	3	29.88	(5.50)	24.38
Total Tax Expense		3.60	(5.50)	(1.90)
VII Profit For The Period (V - VI)		201.41	(10.25)	191.16
VIII Other Comprehensive Income				
Add/(Less):				
(i) Items that will not be reclassified to profit and loss				
(a) Remeasurement of the Defined Benefit Plans		0.47	-	0.47
(ii) Tax relating to items that will not be reclassified to profit or loss				
(a) Current Tax		-	-	-
(b) Deferred Tax		0.16	-	0.16
Total Other Comprehensive Income		0.31	-	0.31
IX Total Comprehensive Income for the period (VII + VIII)		201.72	(10.25)	191.47

32.4 Reconciliation of Total Equity as at 31st March, 2018 and as at 1st April, 2017

	As at 31st March, 2018 ₹ Crores	As at 01st April, 2017 ₹ Crores
Equity as per Reported Financial Statements		
(a) Equity Share Capital	1,045.11	566.11
(b) Other Equity	160.49	114.12
(c) Share Application money pending allotment	-	168.00
(d) Unsecured Perpetual Securities	3,895.00	3,895.00
	5,100.60	4,743.23
Impact of Ind AS 115		
(d) Revenue	(57.46)	(50.09)
(e) Finance Cost	(25.24)	(16.86)
(f) Tax expense	24.94	19.43
Equity as per Restated Financial Statements	5,042.84	4,695.71

Notes:

- The Company was disclosing Government grant as non-financial liability till 31st March, 2018. Considering the amendment in Ind-AS 20, the Company has netted off the government grant from carrying value of property, plant and equipment retrospectively. This has resulted in to reduction in property, plant and equipment by ₹ 47.36 Crores as at 31st March, 2018 (1st April, 2017 – ₹ Nil). The corresponding reduction in current liability is ₹ 1.71 Crores (1st April, 2017 - ₹ Nil) and the reduction in non-current liability is ₹ 45.65 Crores (1st April, 2017 – ₹ Nil). The revenue from operations and depreciation has reduced by ₹ 0.92 Crores for the year ended 31st March, 2018.
- The Company has reclassified the security deposits ₹ 0.81 Crores (1st April, 2017 – ₹ 0.21 Crores) amount from other financial asset to Loans as per schedule III of the Companies Act, 2013.
- Effective 1st April, 2018, the Company has adopted Ind AS 115 'Revenue from contract with customers' using full retrospective method. The application of Ind AS 115 has impacted recognition of power supply revenue.

On application of Ind-AS 115, the retained earnings is lower by ₹ 47.52 Crores, net of tax effect. The impact on the financial statements of the Company vis-à-vis the financial statements originally published for the year ended is as follows:

Particulars	Amount in ₹ Crores For the year ended 31st March, 2018
Revenue	(7.37)
Finance Cost	8.38
Tax	(5.50)
Profit After Tax	(10.25)
Changes in Basic Earnings per Share	(0.12)
Changes in Diluted Earnings per Share	(0.11)

The impact on balance sheet as at 31st March 2018 and 31st March 2017 is as follows:

Particulars	As at 31st March, 2018	As at 1st April, 2017
Deferred revenue liability	82.70	66.95
Deferred tax asset	19.57	0.23
Deferred tax Liability	-	(19.20)

*figures in bracket signify negative impact on the respective line items.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

33. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

	31st March, 2019 ₹ Crores	31st March, 2018 ₹ Crores	01st April, 2017 ₹ Crores
(a) Principal amount remaining unpaid as on 31st March	0.03	-	-
(b) Interest due thereon as on 31st March	-	-	-
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day *	-	-	-
(d) The amount of Interest due and payable for the year *	-	-	-
(e) The amount of Interest accrued and remaining unpaid as at 31st March *	-	-	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid *	-	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

* Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

34. Operating Segments:

The Company generates electric 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.

35. During the year, Andhra Pradesh Regulatory Electricity Commission (APERC) vide its order dated 28th July 2018 allowed the DISCOMs to deduct the amount of Generation Based Incentive (GBI) out of monthly bills paid to wind power generators. The Company has filed a writ petition with Hyderabad High Court against this order and obtained a stay on the order passed by APERC. Based on the legal opinion obtained, the Company believes it has a strong case on merit and has accordingly continued to recognise GBI revenue amounting to ₹ 19.56 crores (including ₹ 9.99 crores for the current financial year) in the financial statements.
36. MAT credit for the year ended 31st March, 2019 is net off reversal of earlier year of ₹ 10.90 crore. MAT credit for the year ended 31st March, 2018 includes ₹ 28.66 crore relating to earlier years.
37. The Board of Directors of the Company at its meeting held on 24th July, 2017 has considered and approved the "Scheme of Amalgamation" ("the Scheme") under Section 232 and other applicable provisions, if any, of the Companies Act, 2013 between Tata Power Renewable Energy Limited ("transferee company", "holding company") for transfer of the entire business and the whole of the undertaking of the Indo Rama Renewables Jath Limited ("subsidiary company") on a going concern basis to the transferee company with effect from 01st April, 2017 (appointed date). As on 31st March, 2019, the subsidiary company has net fixed assets of ₹ 133.83 crore, net worth ₹ 59.58 crore and total income ₹ 37.41 crores, profit after tax ₹ 4.51 crore for the period ended 31st March, 2019. The Company is in the process of filing the Scheme with National Company Law Tribunal (NCLT). Accordingly, no effect of the proposed Scheme has been given in the financial statements.

Tata Power Renewable Energy Limited
Notes forming part of Financial Statements

38. The Board of Directors of the Company at its meeting held on 17th December, 2015 & 15th May, 2017 has considered and approved the "Scheme of Amalgamation" ("the Scheme") under Section 232 and other applicable provisions, if any, of the Companies Act, 2013 for transfer of 379.5 MW renewable assets as a going concern on a Slump Sale basis from The Tata Power Company Ltd ("transferor company", "holding company") to the Company and its wholly owned subsidiaries ("transferee companies", "subsidiary companies") with effect from the date when Scheme is approved by the competent authority. The Company has filed the necessary petition before the National Company Law Tribunal (NCLT).

39. Events occurring after reporting period:

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

40. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 24th April, 2019.

For S R B C & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

For and on behalf of the Board,

per Abhishek Agarwal
Partner
Membership No.: 112773

Ashish Khanna
Director

Ramesh Subramanyam
Director

Mahesh Paranjpe
Chief Executive Officer

Gautam Attravanam
Chief Financial Officer

Mona Purandare
Company Secretary

Mumbai, 24th April, 2019

Mumbai, 24th April, 2019