

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, 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

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



S R B C & COLLP

Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
Impairment of assets (as described in note 4 and 5 of the standalone Ind AS financial statements)	
<p>At the end of every reporting period, the Company assesses whether there is any indication that a 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 as the higher of the value in use and fair value less costs of disposal and determines the impairment provision.</p> <p>The determination of recoverable amount, being the higher of fair value less costs of disposal, and value-in-use, involves significant estimates, assumptions and judgements of the long-term financial projections.</p> <p>Impairment assessment of assets is a key audit matter considering the significance of the carrying value, long term nature of the assets, and the significant judgements and estimates involved in the impairment assessment.</p>	<ul style="list-style-type: none"> • We Considered the Company's accounting policies with respect to impairment in accordance with Ind AS 36 "Impairment of assets". • We evaluated and tested controls over impairment assessment process through inspection of evidence of performance of these controls. • 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 on the assumptions used by the management for impairment assessment prepared by the Company. • We assessed the disclosures in accordance with Ind AS 36 "Impairment of assets"
Revenue Recognition and recoverability of accounts receivable (as described in note 38 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.</p> <p>One of the Customer is making partial payments of sales invoices raised by the Company and withholding the remaining amounts for different reasons like deduction of Generation based incentive and customer's request for renegotiation of tariff. The total amounts withheld by customers owing to such disputes amounts to Rs. 74.38 crores as at March 31, 2020 (including Rs. 40.01 crores relating to revenue recognized during the year).</p> <p>Considering the above, there are significant delays in recovery on these disputed dues. The Company has assessed and determined that contract is legally enforceable and amount invoiced to customers meet criteria in Ind AS</p>	<p>Our key procedures included:</p> <ul style="list-style-type: none"> • Considered the Company's accounting policies with respect to revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers" • We evaluated and tested controls over revenue recognition process through inspection of evidence of performance of these controls. • We read the executed PPA with the customer and evaluated relevant clauses to understand management's assessment of the Company's rights vis-à-vis the customers, including terms related to units supplied and to be invoiced, rate applicable, payment



<p>115 Revenue from Contracts with Customers for recognition of revenue. It has not recognised any impairment allowance in respect of the above receivables.</p> <p>We focused on revenue recognition and recoverability of related receivables in respect of this customer because they involve a high level of management judgement.</p>	<p>and late payment surcharge in the PPA</p> <ul style="list-style-type: none">• We tested the invoices and the related supporting documents with respect to revenue recognized for energy units supplied and for rate agreed in PPA• We obtained and read the correspondences with customers, case documents including petitions filed, grounds of appeal and respondent claims etc.• We assessed management's assessment of the expected outcome of the matters under dispute based on past precedents, advice of management experts and legal opinions.• We evaluated management's estimation of provision for expected credit loss including evaluation of assumptions and verification of computation• We assessed the disclosures relating to this matter in note 38 of the standalone 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management for the Standalone Ind AS Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

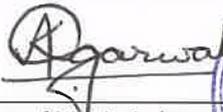


S R B C & COLLP

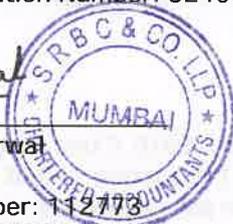
Chartered Accountants

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 27 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
UDIN: 20112773AAAACP3180
Place of Signature: Mumbai
Date: May 01, 2020

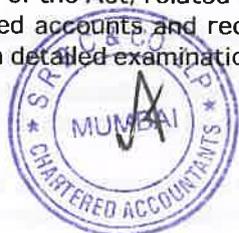


S R B C & COLLP

Chartered Accountants

Annexure 1 to the Independent Auditor's Report 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) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed 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) (a) The Company has granted loans to four companies covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
 - (b) The Company has granted loans to four companies covered in the register maintained under section 189 of the Act. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.
 - (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (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 Act, 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.



SRBC & COLLP

Chartered Accountants

(vii) According to the information and explanations given to us in respect of statutory dues:

- (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (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:

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Gujarat Professions Tax Act, 1976	Profession Tax	6,600	April 2019 - August 2019	Various dates	April 15, 2020

- (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 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	55,12,131	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 Company has utilized the monies raised by way of debt instruments and term loans for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised any money way of initial public offer / further public offer.
- (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 Act.

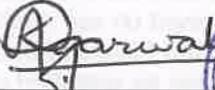


SRBC & COLLP

Chartered Accountants

- (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 Act where applicable and the details have been disclosed in the notes to the standalone Ind AS 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) of the Order 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 Act.
- (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 SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 20112773AAAACP3180
Place of Signature: Mumbai
Date: May 01, 2020



S R B C & COLLP

Chartered Accountants

Annexure 2 to the Independent Auditor's Report of Even Date on the Standalone Ind AS 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, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, 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 Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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



S R B C & COLLP

Chartered Accountants

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

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

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

Opinion

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

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Agarwal

per Abhishek Agarwal
Partner

Membership Number: 112773

UDIN: 20112773AAAACP3180

Place of Signature: Mumbai

Date: May 01, 2020



Tata Power Renewable Energy Limited

Standalone Ind AS Balance Sheet as at 31st March, 2020

	Notes	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	4	6,284.85	4,545.13
(b) Capital Work-in-Progress		224.39	1,567.15
(c) Intangible Assets	4 C	3.17	0.78
(d) Financial Assets			
(i) Investments	5 A	3,875.10	3,818.01
(ii) Loans	6 A	256.63	298.77
(iii) Finance Lease Receivable	6.1	35.89	11.35
(iv) Other Financial Assets	7 A	22.43	29.17
(e) Non-current Tax Assets (Net)	8	20.71	7.92
(f) Other Non-current Assets	9 A	84.09	53.26
Total Non-current Assets		10,807.26	10,331.54
Current Assets			
(a) Financial Assets			
(i) Investments	5 B	47.01	42.16
(ii) Trade Receivables	10	267.94	167.60
(iii) Unbilled Revenue		85.29	70.14
(iv) Cash and cash Equivalents	11	54.31	31.53
(v) Bank Balances other than (iv) above	12	-	11.76
(vi) Loans	6 B	58.96	9.17
(vii) Finance Lease Receivable	6.1	1.31	0.32
(viii) Other financial assets	7 B	117.44	170.93
(b) Other Current Assets	9 B	5.40	7.47
Total Current Assets		637.66	511.08
Assets Classified as Held for Sale	12A	-	131.27
TOTAL ASSETS		11,444.92	10,973.89
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13 A	1,045.11	1,045.11
(b) Unsecured Perpetual Securities	13 B	3,895.00	3,895.00
(c) Other Equity	14	90.56	138.40
Total Equity		5,030.67	5,078.51
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	4,020.60	3,067.15
(ii) Lease Liabilities	15 A	86.72	-
(iii) Other Financial Liabilities	20	13.32	6.64
(b) Provisions	16	6.45	3.57
(c) Deferred Tax Liabilities (Net)	17	54.02	5.01
(d) Other Non-current Liabilities	18	115.25	99.63
Total Non-current Liabilities		4,296.36	3,182.00
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,564.99	1,058.98
(ii) Lease Liabilities	15 A	0.34	-
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	33	0.20	0.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		31.68	24.64
(iv) Other Financial Liabilities	20	515.82	1,625.50
(b) Provisions	16	1.33	0.24
(c) Other Current Liabilities	21	3.53	3.99
Total Current Liabilities		2,117.89	2,713.38
Total Liabilities		6,414.25	5,895.38
TOTAL EQUITY AND LIABILITIES		11,444.92	10,973.89

See accompanying notes to the Standalone Ind AS Financial Statements

As per our report of even date

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



per Abhishek Agarwal
Partner
Membership No.: 112773

For and on behalf of the Board,

Ashish Khanna
Director
DIN:06699527

Ramesh Subramanyam
Director
DIN:02421481

Mahesh Paranjpe
Chief Executive Officer

Gautam Attravanam
Chief Financial Officer

Mona Purandare
Company Secretary

Mumbai, 01st May, 2020

Mumbai, 01st May, 2020

Tata Power Renewable Energy Limited

Standalone Ind AS Statement of Profit and Loss for the year ended 31st March, 2020

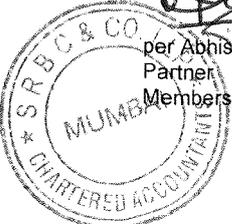
	Notes	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores	
I	Revenue from operations	22	917.46	715.41
II	Other Income	23	36.55	86.58
III	Total Income (I + II)		954.01	801.99
IV	Expenses			
	Employee Benefits Expense	24	12.22	6.31
	Finance Costs	25	479.40	320.49
	Depreciation and Amortization Expenses	4A	339.55	259.21
	Other Expenses	26	120.78	76.64
	Total Expenses		951.95	662.65
V	Profit / (Loss) Before Tax (III - IV)		2.06	139.34
VI	Tax Expense			
	Current Tax	30	-	22.43
	MAT Credit		-	(11.10)
	Deferred Tax	30	1.12	35.48
	Remeasurement of deferred tax on account of new tax regime	30	48.12	-
	Total Tax Expense		49.24	46.81
VII	Profit / (Loss) for the year (V - VI)		(47.18)	92.53
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		(0.89)	0.56
(ii)	Tax relating to items that will not be reclassified to profit or loss			
(a)	Current Tax		-	-
(b)	Deferred Tax		(0.23)	0.20
	Total Other Comprehensive Income		(0.66)	0.36
IX	Total Comprehensive Income for the year (VII + VIII)		(47.84)	92.89
X	Earnings Per Equity Share (Face Value ₹ 10/- Per Share)			
	Basic (₹)		(0.45)	0.89
	Diluted (₹)		(0.45)	0.89

See accompanying notes to the Standalone Ind AS Financial Statements

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

For and on behalf of the Board,

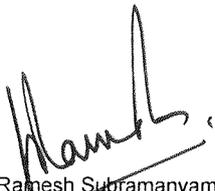

per Abhishek Agarwal
Partner
Membership No.: 112773




Mahesh Paranjpe
Chief Executive Officer


Ashish Khanna
Director
DIN:06699527


Gautam Attravanam
Chief Financial Officer


Ramesh Subramanyam
Director
DIN:02421481


Mona Purandare
Company Secretary

Mumbai, 01st May, 2020

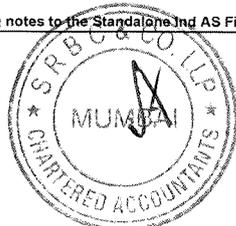
Mumbai, 01st May, 2020

Tata Power Renewable Energy Limited

Cash Flow Statement for the year ended 31st March, 2020

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ Crores	₹ Crores
A. Cash Flow from Operating Activities		
Profit before tax	2.06	139.34
Adjustments for :		
Depreciation and Amortisation Expense	339.55	259.21
Finance Cost (Net of capitalisation)	479.40	320.49
Interest Income	(28.27)	(29.83)
Gain/loss on Sale/Fair value of Current Investments	(4.85)	(10.90)
Dividend income	-	(40.35)
Other Non operating Income	(3.43)	(5.50)
Amortisation of Deferred Revenue	3.55	6.76
Amortization of Security Deposit	1.02	0.88
Amortization of Deferred Grant	(2.50)	(2.82)
Operating profit before working capital changes	784.47	497.94
Working Capital Adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(100.34)	(107.06)
Other financial assets- current	(8.51)	11.70
Other financial assets-non current	(0.11)	-
Loans - Current	(1.47)	(0.28)
Loans - Non Current	(2.05)	(0.08)
Other current assets	2.07	(5.02)
Other non-current assets	2.41	(19.93)
Finance lease	(25.53)	(11.67)
Unbilled revenue	(15.15)	(11.54)
	(148.68)	(143.88)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	7.21	4.50
Other Current Financial Liabilities	-	(19.09)
Other Non Current Provisions	2.88	(0.27)
Current Provisions	0.20	0.69
Other current liabilities	(0.46)	0.67
	9.83	(13.50)
Cash flow from operations	647.68	479.90
Income tax paid	(12.79)	(21.85)
Net cash flow from operating activities	634.89	458.05
B. Cash Flow from Investing Activities		
Capital expenditure on property, plant and equipment	(1,770.33)	(928.91)
Acquisition of lease hold land	-	(0.39)
Purchase of non current investment - in subsidiary company	(57.09)	-
Purchase of Current Investments	(3,610.07)	(3,961.02)
Proceeds from Sale of Current Investments	3,643.80	3,922.72
Interest Received	28.91	27.09
Dividend received from subsidiary company	-	94.76
Other non operating income	3.43	5.50
Loans given to Subsidiaries	(44.69)	(158.23)
Repayment of loan by subsidiaries	40.57	124.52
Loans given to Holding company	2.00	402.10
Repayment of loan by Holding company	(2.00)	(402.10)
Bank Balance not considered as Cash and Cash Equivalents	11.76	(11.75)
Net cash flow used in investing activities	(1,753.71)	(895.71)
C. Cash flow from Financing Activities		
Interest and Other Borrowing Cost paid	(405.11)	(260.29)
Proceeds from Non Current borrowings	1,150.32	750.00
Repayment of Non Current borrowings	(89.39)	(446.25)
Proceeds from Subordinated Loan from Holding Company	895.06	295.00
Repayment of Subordinated Loan from Holding Company	(445.06)	(295.00)
Proceeds from Current borrowings	5,143.57	4,991.35
Repayment of Current borrowings	(5,100.00)	(4,491.40)
Payments of Lease Liability	(7.79)	-
Dividend Paid (including Dividend Distribution Tax)	-	(111.63)
Net cash flow from financing activities	1,141.60	431.78
Net increase / (decrease) in cash and cash equivalents	22.78	4.12
Cash and cash equivalents at the beginning of the year	31.53	27.41
Cash and cash equivalents at the end of the year	54.31	31.53
Cash and cash equivalents comprises		
Balance with banks		
(a) in current account	54.31	28.28
(b) in deposit account	-	3.25
	54.31	31.53

See accompanying notes to the Standalone Ind AS Financial Statements



Tata Power Renewable Energy Limited

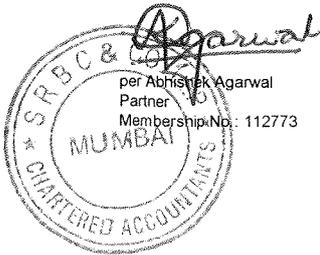
Cash Flow Statement for the year ended 31st March, 2020

Reconciliation of liabilities from financing activities:

Particulars	As at 31st March, 2019	Cash Flows		Non-cash Changes / Amortisation	As at 31st March, 2020
		Additions	Repayments		
Long term borrowings (including current maturity of long term borrowings)	3,151.54	1,150.32	(89.39)	5.74	4,218.21
Short term borrowings	1,058.98	6,038.63	(5,545.06)	12.44	1,564.99
Lease Liabilities (including short term maturity)	-	-	(7.79)	94.85	87.06
Total	4,210.52	7,188.95	(5,642.24)	113.03	5,870.26

Particulars	As at 31st March, 2018	Cash Flows		Non-cash Changes / Amortisation	As at 31st March, 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
Lease Liabilities (including short term maturity)	-	-	-	-	-
Total	3,341.26	5,741.35	(4,937.65)	65.56	4,210.52

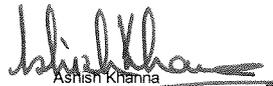
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Abhishek Agarwal
Partner
Membership No: 112773

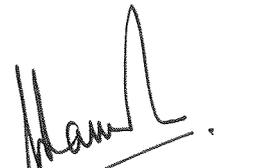
Mumbai, 01st May, 2020

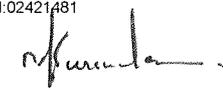
For and on behalf of the Board,


Ashish Khanna
Director
DIN:06699527

Gautam Attravanam
Chief Financial Officer

Mumbai, 01st May, 2020


Ramesh Subramanyam
Director
DIN:02421481


Mona Purandare
Company Secretary

Mona Purandare
Company Secretary

Tata Power Renewable Energy Limited

Statement of changes in equity for the year ended 31st March, 2020

A. Equity Share Capital

	No. of Shares	₹ Crores Amount
Balance as at 1st April, 2018	1,045,107,715	1,045.11
Issue of Equity Shares during the year	-	-
Balance as at 31st March, 2019	1,045,107,715	1,045.11
Balance as at 1st April, 2019	1,045,107,715	1,045.11
Issue of Equity Shares during the year	-	-
Balance as at 31st March, 2020	1,045,107,715	1,045.11

B. Unsecured Perpetual Securities

	No. of Securities	₹ Crores Amount
Balance as at 1st April, 2018	NA	3,895.00
Issue of Equity Shares during the year	NA	-
Balance as at 31st March, 2019	NA	3,895.00
Balance as at 1st April, 2019	NA	3,895.00
Issue of Equity Shares during the year	NA	-
Balance as at 31st March, 2020	NA	3,895.00

C. Other Equity (Refer Note No 14)

Particulars	₹ Crores					
	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Other Comprehensive Income	Total
Balance as at 1st April, 2019	5.00	12.46	112.19	8.08	0.67	138.40
Loss for the year	-	(47.18)	-	-	(0.66)	(47.84)
Balance as at 31st March, 2020	5.00	(34.72)	112.19	8.08	0.01	90.56

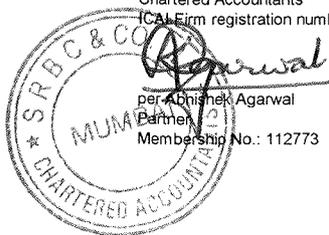
Particulars	₹ Crores					
	Deemed Equity Contribution from Holding Company	Retained Earnings	Debenture Redemption Reserve	Capital Reserve	Other Comprehensive Income	Total
Balance as at 1st April, 2018	5.00	(17.41)	106.75	8.08	0.31	102.73
Profit for the year	-	92.53	-	-	0.36	92.89
Payment of dividends 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 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.

See accompanying notes to the Standalone Ind AS Financial Statements

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



per. Abhishek Agarwal
Partner
Membership No.: 112773

M.D. Paranjpe

Mahesh Paranjpe
Chief Executive Officer

For and on behalf of the Board,

Ashish Khanna

Ashish Khanna
Director
DIN: 06699527

Gautam Attravanam

Gautam Attravanam
Chief Financial Officer

Ramesh Subramanyam
Director
DIN: 02421481

Mona Purandare
Company Secretary

Mumbai, 01st May, 2020

Mumbai, 01st May, 2020

Tata Power Renewable Energy Limited
Notes forming part of the Standalone Ind AS 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 generate 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. The Company's subsidiary, Poolavadi Windfarms Limited is developing a 50 MW solar project. Total generating capacity of the Company is given below:

Company	As at 31st March, 2020 (in MW)			As at 31st March, 2019 (in MW)		
	Solar	Wind	Total	Solar	Wind	Total
TPREL	782.00	354.20	1,136.20	472.77	354.20	826.97
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	1,646.00	551.20	2,197.20	1,336.77	551.20	1,887.97

700 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, Camac Bunder Mumbai City - 400009.

The financial statements are prepared in Indian Rupees.

2 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 (as amended from time to time).

The accounting policies adopted are consistent with those of the previous financial year except for adoption of Ind AS 116 "Leases" as set out in Note 3.10.

Certain other changes to Ind AS have become applicable to the Company from the financial year beginning 1st April, 2019. However, their application did not have any material impact on the financial statements.

The financial statements were approved for issue by the Board of Directors on 01st May, 2020.

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

- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments);
- employee benefit expenses (Refer Note 24 for Accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Other Significant Accounting Policies

3.1 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.

3.2 Government grants

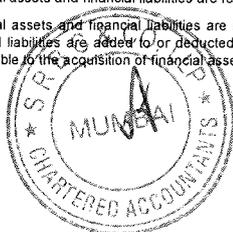
Government grants are not recognised until there is a reasonable assurance that the company will comply with the conditions attached to them and that the grant will be received. Government grant is recognised at fair value and is netted off from the cost of Property, Plant & Equipment.

3.3 Financial Instruments

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

Financial assets 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 measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.



3.4 Financial Assets

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

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

3.5 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method 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.

3.5.1 Financial assets at fair value through other comprehensive income (FVTOCI)

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.

3.5.2 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

3.5.3 Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are 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 in the statement of profit and loss.

3.5.4 Derecognition

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

- the right to receive cash flows from the asset have expired, or
- 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.

3.5.5 Impairment of financial assets

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

3.6 Financial liabilities and equity instruments

3.6.1 Classification as debt or equity

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

3.6.2 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 the Company are recognised at the proceeds received, net of direct issue costs.

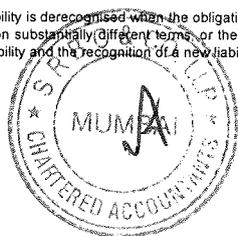
3.6.3 Financial liabilities

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.

3.6.4 Derecognition

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.



3.7 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.

3.8 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.

3.9 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

3.10 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 1st April, 2019. The Company has applied Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of 1st April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at 1st April, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. As a lessee, the Company previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risk and rewards incidental to the ownership of the underlying asset of the Company. Under Ind AS 116, the Company recognizes the right-of-use assets and lease liabilities as stated in the Note 4B and 15 A.

On adoption of Ind AS 116, the Company has recognized 'Right-of-use' assets amounting to ₹ 90.67 crores (adjusted by the prepaid lease payments amounting to ₹ 3.92 crores) and 'Lease liabilities' amounting to ₹ 86.75 crores, as at 1st April, 2019. There is no impact on retained earnings as at 1st April, 2019.

The Company has applied Ind AS 116 only to the contracts that were previously identified as leases. As a practical expedient, contracts previously identified as lease under Ind AS 17 has not reassessed as to whether a contract is, or contains, a lease under Ind AS 116.

The Company has used the following practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17:

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.
- Excluded initial direct costs from measuring the right-of-use asset at the date of application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

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

Particulars	₹ Crores
Operating lease commitments as at 31st March, 2019 as disclosed in Standalone Ind AS financial statements	232.19
Less: Commitments relating to short-term leases	(0.35)
Less: Commitments relating to leases of low-value assets	-
Net operating lease commitments	231.84
Weighted average incremental borrowing rate as at 1st April, 2019	9.57%
Discounted operating lease commitments as at 1st April, 2019	86.75
Add: Lease payments relating to renewal periods not included in operating lease	-
Add/Less: Any other items for reconciliation	-
Lease liabilities as at 1st April, 2019	86.75

Accounting Policy for Leases till 31st March, 2019

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 lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.11 Critical accounting estimates 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:

Estimates used for impairment of Property, Plant & Equipment - Note 4

Estimates used for fair value of unquoted securities and impairment of Investments - Note 5

Estimation of defined benefit obligation - Note 16

Estimation of current tax and deferred tax expenses (including Minimum Alternate Tax credit) - Note 30



4. **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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

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 Electricity Regulatory 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. Furniture & Fixtures and Office Equipment 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.)	: 25 years
Transmission Lines & Cable Network	: 25 years
Furniture & Fixtures	: 10 years
Office Equipment	: 5 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.

Derecognition

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

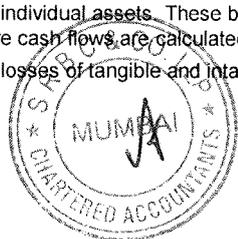
The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's 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 the Standalone Ind AS Financial Statements

4. Property, Plant and Equipment (contd.)

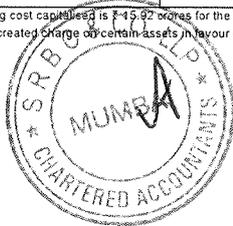
A. Owned Assets

Description								₹ Crores
	Freehold Land	Buildings	Roads	Plant, Machinery & Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	Total
Cost								
Balance as at 1st April, 2019	111.60	58.89	6.43	4,998.92	184.12	-	-	5,359.76
Additions	39.98	11.95	0.45	1,730.15	84.03	0.08	0.03	1,865.67
Disposals / Adjustments	-	-	-	(9.64)	-	-	-	(9.64)
Reclassified from held for sale	3.17	-	-	188.55	-	-	-	191.72
Balance as at 31st March, 2020	154.75	70.84	6.88	6,907.98	268.15	0.08	0.03	7,408.51
Accumulated depreciation and impairment								
Balance as at 1st April, 2019	-	5.14	1.37	791.06	17.06	-	-	814.63
Depreciation Expense (net of reversals)	-	2.62	0.50	322.28	10.21	-	-	335.61
Reclassified from held for sale	-	-	-	60.74	-	-	-	60.74
Balance as at 31st March, 2020	-	7.76	1.87	1,174.08	27.27	-	-	1,210.98
Net carrying amount								
As at 31st March, 2020	154.75	62.88	5.01	5,733.90	240.88	0.08	0.03	6,197.53
As at 31st March, 2019	111.60	53.55	5.06	4,207.86	167.06	-	-	4,545.13

1. Amount of borrowing cost capitalised is ₹ 15.15 crores for the year ended 31st March, 2020.
2. The Company has created charge on certain assets in favour of lenders. Refer Note 15.
3. Freehold land includes land given on lease of ₹ 17.80 crores (Refer Note 6.3)
4. Plant, Machinery & Equipment includes Plant and Machinery given on lease of ₹ 13.33 crores (Refer Note 6.3)

Description								₹ Crores
	Freehold Land	Buildings	Roads	Plant, Machinery & Equipment	Transmission lines and cable network	Furniture and Fixtures	Office Equipment	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
Disposals / Adjustments	-	-	-	-	-	-	-	-
Reclassified as held for sale	(3.17)	-	-	(188.55)	-	-	-	(191.72)
Balance as at 31st March, 2019	111.60	58.89	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 (net of reversals)	-	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 1st April, 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 15.



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

4. Property, Plant and Equipment (contd.)

B. Right of Use Assets

Description	₹ Crores	
	Land	Total
Cost		
Balance as on 1st April, 2019 (Refer Note 3.10)	-	-
Additions during the year	90.67	90.67
Reclassified as held for sale (Refer Note 12A)	0.31	0.31
Balance as at 31st March, 2020	90.98	90.98
Accumulated depreciation and impairment		
Balance as on 1st April, 2019	-	-
Depreciation expense	3.64	3.64
Reclassified as held for sale (Refer Note 12A)	0.02	0.02
Balance as at 31st March, 2020	3.66	3.66
Net carrying amount		
As at 31st March, 2020	87.32	87.32
As at 1st April, 2019	-	-



4C. 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

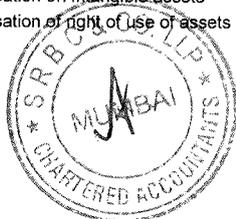
	₹ Crores	
	Computer software	Total
Cost		
Balance as at 1st April, 2019	0.84	0.84
Additions	2.69	2.69
Disposal	-	-
Balance as at 31st March, 2020	3.53	3.53
Accumulated amortisation and impairment		
Balance as at 1st April, 2019	0.06	0.06
Amortisation expense	0.30	0.30
Impairment losses recognised in the statement of profit or loss	-	-
Balance as at 31st March, 2020	0.36	0.36
Net Block		
As at 31st March, 2020	3.17	3.17
As at 31st March, 2019	0.78	0.78

	₹ 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	-	-

Depreciation and Amortisation:

Depreciation on tangible assets
Add: Amortisation on intangible assets
Add: Amortisation of right of use of assets
Total

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
	335.61	259.15
	0.30	0.06
	3.64	-
Total	339.55	259.21

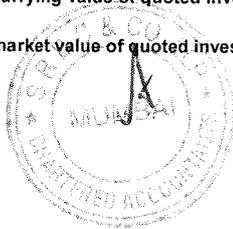


5. Investments

Accounting Policy

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

	Face Value in ₹ Fully Paid	As at		As at	
		31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
		Quantity	Quantity	₹ Crores	₹ Crores
A Non - Current					
Investments carried at cost less accumulated impairment, if any					
Investment in Equity Shares of Subsidiary Companies (Unquoted)					
Indo Rama Renewables Jath Limited	10	6,03,00,000	6,03,00,000	84.12	84.12
Poolavadi Windfarms Limited	10	5,71,36,261	50,000	57.14	0.05
Nivade Windfarms Limited	10	50,000	50,000	0.05	0.05
Supa Windfarms Limited	10	50,000	50,000	0.05	0.05
Waiwhan Renewable Energy Limited (formerly: Welspun Renewable Energy Private Limited)	10	61,13,55,942	61,13,55,942	3,733.36	3,733.36
Vagarai Windfarms Limited	10	3,78,000	3,78,000	0.38	0.38
Aggregate carrying value of unquoted investments		72,92,70,203	67,21,83,942	3,875.10	3,818.01
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	-	1.16
BNP Paribas Liquid Fund - Direct - Growth	1,000	-	40,909.67	-	11.75
DHFL Pramerica Insta Cash Fund Direct Plan	100	-	137,890.36	-	3.35
DSP Blackrock Liquidity Fund - Direct Plan -	1,000	-	30,658.57	-	8.20
HDFC Overnight Fund - Direct Plan - Growth	1,000	9,834.80	-	2.92	-
Invesco India Liquid Fund - Direct Plan - Growth	1,000	-	53,070.51	-	13.65
JM High Liquidity Fund - Direct Plan - Growth	10	-	792,116.02	-	4.05
Kotak Overnight Fund - Direct Growth	1,000	206,430.34	-	22.00	-
SBI Overnight Fund - Direct Growth	1,000	17,826.17	-	5.80	-
UTI Overnight Fund - Direct Growth	1,000	59,554.56	-	16.29	-
Aggregate carrying value of quoted investments				47.01	42.16
Aggregate market value of quoted investments				47.01	42.16



6. Loans - At Amortised Cost

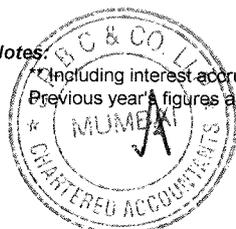
	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
A. Non-current		
(Unsecured considered good unless otherwise stated)		
(i) Loans to Related Parties		
Chirasthaayee Saurya Limited	79.50	79.50
Vagarai Windfarm Limited	117.37	128.13
Indo Rama Renewables Jath Limited	53.70	87.13
	<u>250.57</u>	<u>294.76</u>
(ii) Other Loans		
Loan to Employees	0.19	0.08
(iii) Security Deposits		
Unsecured, considered good	5.87	3.93
Credit impaired	0.01	0.01
	<u>5.88</u>	<u>3.94</u>
Less: Allowance for Doubtful Deposits	0.01	0.01
	<u>5.87</u>	<u>3.93</u>
Total	<u><u>256.63</u></u>	<u><u>298.77</u></u>
B. Current		
(Unsecured considered good unless otherwise stated)		
(i) Loans to Related Parties		
Indo Rama Renewables Jath Limited	19.43	5.12
Vagarai Windfarm Limited	3.77	3.77
Poolavadi Windfarm Limited	34.01	-
	<u>57.21</u>	<u>8.89</u>
(ii) Security Deposits		
	1.75	0.28
Total	<u><u>58.96</u></u>	<u><u>9.17</u></u>

Disclosure under Regulation 53(f) 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 Holding company and Subsidiaries:

Name of the Company	Year	Relationship	Amount Outstanding	Maximum Principal
			as at the year end **	Amount Outstanding during the year (excluding interest accrued)
			₹ Crores	₹ Crores
Indo Rama Renewables Jath Limited	2020	Subsidiary	73.14	92.25
	2019		92.25	102.50
Vagarai Windfarm Limited	2020	Subsidiary	125.63	131.91
	2019		131.91	135.68
Poolavadi Windfarm Limited	2020	Subsidiary	34.46	34.01
	2019		-	-
Chirasthaayee Saurya Limited	2020	Fellow Subsidiary	79.50	79.50
	2019		84.97	79.50
The Tata Power Company Limited	2020	Holding Company	-	2.00
	2019		-	402.10
Tata Power Trading Company Limited	2020	Fellow Subsidiary	-	-
	2019		-	80.00
Coastal Gujarat Power Limited	2020	Fellow Subsidiary	-	4.50
	2019		-	-

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



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

6.1 Finance Lease Receivable - At Amortised Cost
(Unsecured unless otherwise stated)

Accounting Policy

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount 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.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Finance Lease Receivable - Non-current	35.89	11.35
Finance Lease Receivable - Current	1.31	0.32
Total	37.20	11.67

6.2 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.

The Company has sought to cover the risks under the lease agreements through its PPA with its customers. These agreements are typically signed for a fixed duration (extendable only by mutual consent) and clearly defines the roles and responsibilities of either parties during the lease period. In the event of a default by either Party under the agreement, the agreement provides for a dispute resolution mechanism which leads upto arbitration by an independent arbitrator. Post the arbitration, the agreements provide for either party to terminate the agreement after paying for damages specified by the arbitrator. Additionally, the lessee will have to pay a defined termination payment to the Company (Lessor) and take over the asset. In the event, the lessee ceases its operations in the country and chooses to terminate the PPA, the lessor is eligible to receive the defined termination payment and also retain the assets for redeployment elsewhere.

The lease agreements also provide for deemed generation in the agreements. If the lessee does not consume the output of the asset for reasons except as defined under force majeure, the lessor is eligible to receive payment under the said deemed generation clause. The lessee also needs to provide a suitable payment security mechanism under the PPA to the lessor so as to mitigate any payment risks. The Lessor also has an obligation to provide a guaranteed generation performance to the lessee. In the event, the asset is unable to meet the performance requirement, the lessor may have to pay a penalty to the lessee under the agreement. To mitigate this risk, the lessor has conducted a detailed site evaluation before committing the said performance values.

6.3 Amount receivable under Finance Lease

	Minimum Lease Payments	
	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
	Less than a year	5.70
One to two years	5.60	1.60
Two to three years	5.58	1.59
Three to four years	5.57	1.58
Four to five years	5.53	1.57
Total(A)	27.98	7.97
More than five years (B)	50.10	19.60
Total (A +B)	78.08	27.57
Unearned finance income	40.88	15.90
Present Value of Minimum Lease Payments Receivable	37.20	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.

Lessor - Operating Lease

(i) The Company has entered into operating lease arrangement. The term of these lease arrangement is 25 years. The Company has recognized a rental income of ₹ 0.77 crores under the operating lease during the year ended 31st March, 2020.

(ii) The Company has also 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. These PPAs are not covering a major part of the economic life of the asset and the lessee can terminate the lease by paying a nominal penalty.

Future minimum rentals receivable under non-cancellable operating leases as at 31st March, 2020 are, as follows:

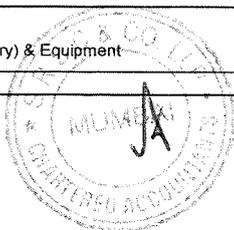
₹ Crores

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Land	Plant and Equipment	Land	Plant and Equipment
Less than a year	3.10	3.03	-	-
One to two years	3.10	3.01	-	-
Two to three years	3.10	3.00	-	-
Three to four years	3.10	2.98	-	-
Four to five years	3.10	2.96	-	-
Total (A)	15.50	14.98	-	-
More than five years (B)	61.13	26.16	-	-
Total (A +B)	76.63	41.14	-	-

Disaggregation of Property, Plant and Equipment given on Operating Lease as at 31st March, 2020 is as follows:

₹ Crores

Class of assets	Gross Block	Accumulated Depreciation	Carrying Amount
Land	17.90	-	17.90
Plant (machinery) & Equipment	13.33	0.31	13.02
Total	31.23	0.31	30.92



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

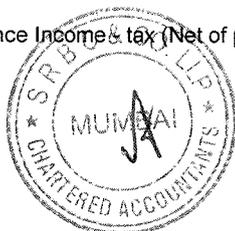
7. Other Financial Assets

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
A. Non-current - At Amortised Cost (Unsecured considered good unless otherwise stated)		
(i) Others		
Government Grants Receivables *	22.32	29.17
Advance towards Equity	0.10	-
Balances with Banks:		
In Deposit Accounts (with remaining maturity of more than twelve months)	0.01	-
Total	22.43	29.17
B. Current - At Amortised Cost (Unsecured considered good unless otherwise stated)		
(i) Accruals		
Interest accrued on Bank Deposits	-	0.11
Interest accrued on Loans and Advances to Related Party:		
Poolavadi Windfarm Limited	0.45	-
Vagarai Windfarm Limited	4.49	-
Indo Rama Renewable Energy Limited	0.01	-
Chirasthaayee Saurya Limited	-	5.47
	4.95	5.58
(ii) Others		
Receivable on sale of Current Investments	6.00	39.72
Insurance Claims Receivable	0.06	-
Other Receivables:		
From Related Party -		
Tata Power Company Limited	2.31	-
Indo Rama Renewables Jath Limited	-	0.14
Walwhan Renewable Energy Limited	-	0.92
Poolavadi Windfarm Limited	0.91	-
Supa Windfarms Limited	0.04	0.04
Nivade Windfarms Limited	0.04	0.04
TP Kirnali Limited	0.68	-
TP Solapur Limited	0.20	-
From Others	5.51	0.10
	15.75	40.96
(iii) Government Grants Receivables *	30.40	58.05
(iv) Claim against change in law	66.34	66.34
Total	117.44	170.93

* The Company is eligible for government grant in 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 crores in full for Charanka project and ₹ 37.00 crores in Ananthapuram project which is 50% of the grant that was payable on commissioning of the plant. It is in the process of creating charge on Palaswadi phase II and Ananthapuram assets in the favour of Solar Energy Corporation of India. Once charge is created, the Company expects the release of the grant as per prescribed milestones.

8. Non-current tax Assets

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Advance Income tax (Net of provision)	20.71	7.92
Total	20.71	7.92



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

9. Other Assets

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
A. Non-current - At Amortised Cost (Unsecured considered good unless otherwise stated)		
(i) Capital Advances		
Capital Advances - Secured considered good	51.47	17.21
(ii) Balances with Government Authorities		
Service Tax paid under protest (Refer Note 40)	-	2.15
Value Added Tax Receivable	2.09	2.94
(iii) Unamortised Premium for Leasehold Land		
Payments towards Leasehold Land	-	3.73
(iv) Others		
Security deposit given	30.53	26.50
Prepaid Expenses	-	0.73
Total	84.09	53.26
B. Current - At Amortised Cost (Unsecured considered good unless otherwise stated)		
(i) Unamortised Premium for Leasehold Land		
Payment towards Leasehold Land	-	0.18
(ii) Other Loans and Advances		
Prepaid Expenses	3.97	1.67
Security deposit given	1.11	0.89
Other Advances	0.32	4.73
Total	5.40	7.47



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

10. Trade Receivables - At Amortised Cost

	As at	As at
	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Trade Receivables-Unsecured, considered good	267.94	167.60
Total	267.94	167.60

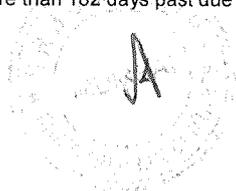
Notes:

1)(a) The average credit period is 15 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	As at
	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Within the credit period	70.54	41.77
1-90 days past due	76.50	49.11
91-182 days past due	43.58	34.97
More than 182 days past due	77.32	41.75



Tata Power Renewable Energy Limited
Notes forming part of the Standalone Ind AS 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.

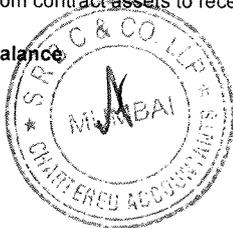
Particulars	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Contract assets	-	-
Contract liabilities		
Advance from customers	-	-
Deferred revenue from customers	115.25	99.63
Total Contract Liabilities	115.25	99.63
Receivables		
Trade receivables (Gross)	267.94	167.60
Unbilled revenue	85.29	70.14
Less : Allowances for doubtful debts	-	-
Net receivables	353.23	237.74
Total	237.98	138.11

The Company enters into long term agreement for sale of power to Discom at a fixed rate per unit. The management has assessed and determined that amount invoiced / to be invoiced as the agreement reflects appropriate revenue for the period except in cases here the rate per unit is not the same over life of PPA.

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	
	₹ Crores		₹ Crores	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening Balance	-	99.63	-	82.70
Less : Revenue recognized during the year from balance at the beginning of the year	-	-	-	-
Add : Advance received during the year not recognized as revenue	-	3.55	-	6.76
Interest income/expense for the year	-	12.07	-	10.17
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	-	115.25	-	99.63



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

11. Cash and Cash Equivalents - At Amortised Cost

Accounting Policy

Cash and cash equivalents 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, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Balances with Banks:		
In Current Accounts	54.31	28.28
In Deposit Accounts (with original maturity less than three months)	-	3.25
	54.31	31.53

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

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Balances with Banks:		
In Current Accounts	54.31	28.28
In Deposit Accounts (with original maturity less than three months)	-	3.25
Total	54.31	31.53

12. Other Balances with Banks - At Amortised Cost

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
In Deposit Accounts (with original maturity of more than three months)	-	11.76
Total	-	11.76



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

12A. 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.

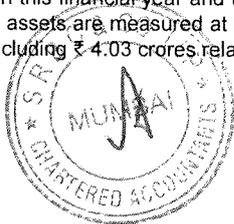
Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed off 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.

	<u>As at</u>	<u>As at</u>
	<u>31st March, 2020</u>	<u>31st March, 2019</u>
	<u>₹ Crores</u>	<u>₹ Crores</u>
Property, Plant and Equipment [Refer Note (i) below]	-	130.98
Leasehold land	-	0.29
Total	-	131.27

- (i) During the previous year, the Company signed a term sheet for sale of its 32 MW wind project in Maharashtra. As the sale transaction was not concluded in this financial year and the Company is not pursuing the sale anymore, these assets cease to be classified as asset held for sale. These assets are measured at lower of carrying value and its recoverable amount. The Company has charged depreciation of ₹ 17.21 crores (including ₹ 4.03 crores relating to earlier years) on these assets during the current year.



13 A. Equity - Share Capital

	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	₹ Crores	No. of shares	₹ Crores
Authorised				
2,500,000,000 fully paid equity shares of ₹ 10 each	250,00,00,000	2,500.00	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
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
Total Issued, Subscribed and fully Paid-up Share Capital	104,51,07,715	1,045.11	1,045,107,715	1,045.11

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

Equity Shares

	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	₹ Crores	No. of shares	₹ Crores
At the beginning of the year	1,045,107,715	1,045.11	1,045,107,715	1,045.11
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,045,107,715	1,045.11	1,045,107,715	1,045.11

(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.

13 B. Unsecured Perpetual Securities

	As at 31st March, 2020	As at 31st March, 2019
	₹ Crores	₹ Crores
Opening balance	3,895.00	3,895.00
Add: Issued during the year	-	-
Closing balance	3,895.00	3,895.00

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



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

14. Other Equity

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
A. Debenture Redemption Reserve		
Opening Balance	112.19	106.75
Add: Amount transferred from Retained Earnings	-	5.44
Closing Balance	112.19	112.19
B. Capital Reserve		
Opening Balance	8.08	8.08
Closing Balance	8.08	8.08
C. Retained Earnings		
Opening balance	13.13	(17.10)
Add: Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax) Profit / (Loss) for the year	(0.66) (47.18)	0.36 92.53
Less: Dividend Declared (net of tax)		
Payment of dividends on equity shares - Interim	-	40.34
Payment of dividends on equity shares - Final	-	14.00
Tax on Dividend	-	2.88
Transfer to Debenture Redemption Reserve	-	5.44
Closing Balance	(34.71)	13.13
D. Deemed equity contribution from holding company		
Opening Balance	5.00	5.00
Closing Balance	5.00	5.00
Total	90.56	138.40

Nature and purpose of reserves

Debenture Redemption Reserve (DRR)

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. Subsequent to amendment dated 16th August, 2019 in Companies Act, 2013, there is no requirement to create debenture redemption reserve for listed companies and hence the Company has not created DRR in the current year.

Capital Reserve

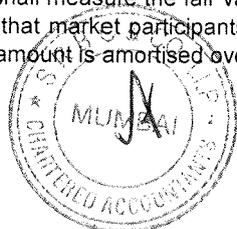
Capital Reserve has been created consequent to Scheme of Amalgamation between NewGen Saurashtra Windfarms Ltd. and cannot be utilized toward distribution of dividend.

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 Limited has provided corporate guarantee of ₹ 1,692.76 crores (₹ 2,235.00 crores as on 31st March, 2019) 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.

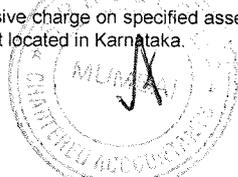


15. Non-current Borrowings

	As at 31st March, 2020		As at 31st March, 2019		
	Non-current ₹ Crores	Current ₹ Crores	Non-current ₹ Crores	Current ₹ Crores	
(A) Unsecured - At Amortised Cost					
Redeemable Non-Convertible Debentures [Refer Note (b) below]					
(a) 8.99% Series 2027	-	-	397.70	-	
(b) 8.14% Series 2023	104.41	70.00	174.10	-	
(c) 8.45% Series 2022	498.81	-	498.25	-	
(A)	603.22	70.00	1,070.05	-	
Term loan from Bank					
(a) HDFC Bank	-	-	467.45	30.00	
(B)	-	-	467.45	30.00	
(B) Secured - At Amortised Cost					
Redeemable Non-Convertible Debentures					
(a) 9.57% Series 2029 [Refer Note (f) below]	468.42	30.00	-	-	
(b) 8.14% Series 2027 [Refer Note (a) below]	397.99	-	-	-	
(C)	866.41	30.00	-	-	
(C) Term Loans from Banks					
(a) IDFC Bank [Refer Note (e) below]	78.36	10.47	88.83	9.97	
(b) Kotak Mahindra Bank [Refer Note (c) below]					
(i) Term Loan -I (Rs 228 crs)	186.58	15.99	202.49	15.99	
(ii) Term Loan -II (Rs 250 crs)	232.00	8.75	240.70	6.25	
(c) Axis Bank [Refer Note (d) below]					
(i) Term Loan -I (Rs 500 crs)	483.76	5.00	486.23	5.00	
(ii) Term Loan -II (Rs 500 crs)	468.66	15.00	483.54	15.00	
(d) HDFC Bank I [Refer Note (g) below]	437.77	30.00	-	-	
(e) HDFC Bank II [Refer Note (g) below]	482.18	10.00	-	-	
(f) RBL Letter of Credit [Refer Note (h) below]	42.35	-	-	-	
(g) IndusInd Letter of Credit [Refer Note (h) below]	113.85	-	-	-	
	2,525.51	95.21	1,501.79	52.21	
Term Loans from Others					
(a) NIIF IFL (earlier known as IDFC Infrastructure Finance Limited) [Refer Note (e) below]	25.46	2.40	27.86	2.18	
	25.46	2.40	27.86	2.18	
(D)	2,550.97	127.61	1,529.65	54.39	
Total	(A) + (B) + (C) + (D)	4,020.60	197.61	3,067.15	84.39

Security

- For the 8.14% Series 2027, the NCD is secured against charge on movable fixed assets of 250 MW KREDL and 150 MW MSEDCL project.
- These NCDs are backed by unconditional and irrevocable Corporate Guarantee (CG) from The Tata Power Company Limited 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) and Rojmal I, Rojmal II, Mithapur, Bellampalli (Term Loan -II). The Company is currently in the process of creating the security on Rojmal I, Rojmal II, Mithapur and Bellampalli assets.
- 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.
- NCD 9.57% Series 2029 is a secured debenture backed by charge on 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 25MW Charanka plant in Gujarat.
- For HDFC Bank I, Lenders have first charge on entire moveable fixed assets of 30 MW AC solar project at Palaswade Phase II and second charge on entire moveable fixed assets of 21 MW wind project at Daloth and 18 MW wind project at Dangri. For HDFC Bank 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 Ananthapuram plant and 39.2 MW NSW Dwarka plant.
- Lenders have an exclusive charge on specified assets purchased under the Letter of Credit for the 150 MW MSEDCL project located in Rajasthan and 250 MW KREDL project located in Karnataka.

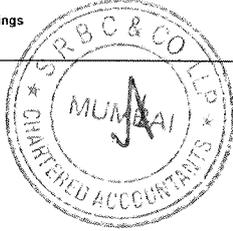


15 Non-current borrowings (Contd.)

Terms of Repayment

Amount in ₹ Crores

Particulars	Amount outstanding as on 31st March, 2020	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-29	FY 29-30 and onwards
(a) Unsecured Borrowing - at amortised cost								
Redeemable Non-Convertible Debentures								
(i) 8.14% Series 2023	175.00	70.00	70.00	35.00	-	-	-	-
(ii) 8.45% Series 2022	500.00	-	-	500.00	-	-	-	-
	(A) 675.00	70.00	70.00	535.00	-	-	-	-
(b) Secured Borrowing - at amortised cost								
Redeemable Non-Convertible Debentures								
(i) 9.57% Series 2029	500.00	30.00	30.00	32.50	35.00	37.50	172.50	162.50
(ii) 8.14% Series 2027	400.00	-	-	-	70.00	70.00	280.00	-
	900.00	30.00	30.00	32.50	105.00	107.50	432.50	162.50
Term Loans from Banks								
(i) IDFC Bank	88.84	10.47	10.96	11.50	12.13	12.76	31.02	-
(ii) Kotak Mahindra Bank	203.24	15.99	15.99	15.99	15.99	15.99	123.29	-
(iii) Axis Bank	490.00	5.00	10.00	25.00	30.00	30.00	130.00	260.00
(iv) Kotak Mahindra Bank	241.25	8.75	22.88	23.88	25.88	27.25	132.61	-
(v) Axis Bank	485.00	15.00	15.00	25.00	40.00	40.00	155.00	195.00
(vi) HDFC Bank - I	495.00	10.00	25.00	25.00	25.00	35.00	140.00	235.00
(vii) HDFC Bank - II	470.00	30.00	47.55	47.55	47.55	60.00	237.35	-
(viii) LC-RBL	43.14	-	-	43.14	-	-	-	-
(viii) LC-Indusind	115.00	-	-	115.00	-	-	-	-
	2,631.47	95.21	147.38	332.96	195.55	221.00	949.27	690.00
Term Loans from Others								
(i) NIIF IFL (earlier known as IDFC Infrastructure Finance Limited)	27.86	2.40	2.61	2.85	3.12	3.40	13.48	-
	27.86	2.40	2.61	2.85	3.12	3.40	13.48	-
	(B) 3,559.33	127.61	179.99	367.41	304.67	331.90	1,395.25	852.50
Total borrowings (A + B)	4,234.33	197.61	249.99	902.41	304.67	331.90	1,395.25	852.50
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS.	12.45							
Less: Unamortised portion of fair value of corporate guarantee	3.67							
Total long term borrowings	4,218.21							



15A Leased Liabilities

Accounting Policy for leases from 1st April, 2019

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

i) Right-of-use Assets

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

- Land - 25 Years

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities in 'Non-current liabilities and Current liabilities' in the Balance Sheet.

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

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Lessee

The Company has lease contracts for various land used in its operations. Leases of land generally have lease terms of 25 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognised in the Statement of Profit and Loss	₹ Crores
	For the year ended 31st March, 2020
Depreciation of Right-of-use assets	3.64
Interest on lease liabilities	8.04
Expenses related to short term leases	0.35
Expenses related to leases of low value assets, excluding short term leases of low value assets	-
Variable lease payments not included in measurement of lease liabilities	-

Refer Note 4 B for additions to Right-Of-Use Assets and the carrying amount of Right-Of-Use Assets as at 31st March, 2020.

	As at 31st March, 2020	As at 31st March, 2019
	₹ Crores	₹ Crores
Non-current		
(i) Leased Liabilities	86.72	-
	86.72	-
Current		
(i) Leased Liabilities	0.34	-
	0.34	-



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

16. 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	As at
	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Non-current		
Provision for Employee Benefits		
Compensated Absences	1.46	0.84
Gratuity	4.13	2.28
Post-Employment Medical Benefits	0.30	0.14
Other Defined Benefit Plans	0.36	0.08
Other Employee Benefits	0.20	0.23
Total	6.45	3.57

	As at	As at
	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Current		
Provision for Employee Benefits		
Compensated Absences	0.26	0.01
Gratuity	1.03	0.05
Other Defined Benefit Plans	0.04	0.16
Other Employee Benefits	-	0.02
Total	1.33	0.24



16. Provisions (contd.)
Employee benefit plan

16.1 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 ₹ 0.34 crores (31st March, 2019 - ₹ 0.20 crores) for provident fund contributions and ₹ 0.06 crores (31st March, 2019 - ₹ 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.

16.2 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

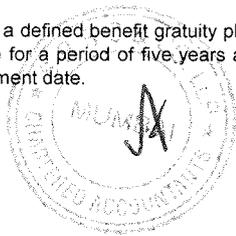
The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

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.

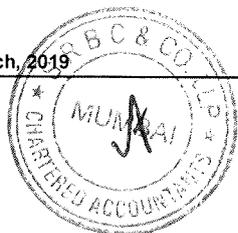


16.3 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31st March, 2020	31st March, 2019
Discount Rate	6.50% p.a.	7.40% p.a.
Salary Growth Rate		
- Management	7.00% p.a.	7.00% p.a.
- Non-Management	5.00% p.a.	5.00% p.a.
Turnover Rate - Age 21 to 44 years		
- Management	6.00% p.a.	2.50% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Turnover Rate - Age 45 years and above		
- Management	2.00% p.a.	1.00% p.a.
- Non-Management	0.50% p.a.	0.50% p.a.
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Annual Increase in Healthcare Cost	8.00% p.a.	8.00% p.a.

Unfunded Plan as at 31st March, 2020	Gratuity	Other Defined Benefit Plans
	₹ Crores	₹ Crores
Balance as at 1st April, 2019	2.33	0.38
Current service cost	0.57	0.02
Past service cost	-	0.05
Interest Cost/(Income)	0.19	0.03
Amount recognised in statement of profit and loss	0.76	0.10
<u>Remeasurement (gains)/losses</u>		
Actuarial (gains)/losses arising from changes in financial assumptions	0.43	0.08
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.14)	(0.10)
Actuarial (gains)/losses arising from experience	0.37	0.25
Amount recognised in other comprehensive income	0.66	0.23
Benefits paid	(0.35)	-
Acquisitions credit/(cost)	1.76	(0.01)
Balance as at 31st March, 2020	5.16	0.70

Unfunded Plan as at 31st March, 2019	Gratuity	Other Defined Benefit Plans
	₹ Crores	₹ Crores
Balance as at 1st April, 2018	2.66	0.26
Current service cost	0.16	0.07
Past service cost	-	-
Interest Cost/(Income)	0.19	0.02
Amount recognised in statement of profit and loss	0.35	0.09
<u>Remeasurement (gains)/losses</u>		
Actuarial (gains)/losses arising from changes in financial assumptions	0.13	0.02
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from experience	(0.61)	(0.01)
Amount recognised in other comprehensive income	(0.48)	0.01
Benefits paid	(0.28)	(0.01)
Acquisitions credit/(cost)	0.08	0.03
Balance as at 31st March, 2019	2.33	0.38



16. Provisions (contd.)
Employee Benefit Plans

16.4 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, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Discount rate	0.50%	0.50%	(0.30)	(0.25)	0.33	0.28
Salary growth rate	0.50%	0.50%	0.28	0.25	(0.26)	(0.23)
Mortality rates	1 year	1 year	0.02	0.01	(0.02)	(0.01)
Healthcare cost	0.50%	0.50%	0.04	0.02	(0.03)	(0.02)
Claims Rate	5.00%	5.00%	(0.58)	(0.47)	NA	NA

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.

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

Unfunded	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Within 1 year	1.12	0.07
Between 1 - 2 years	0.20	0.09
Between 2 - 3 years	0.63	0.10
Between 3 - 4 years	0.22	0.11
Between 4 - 5 years	0.23	0.15
Beyond 5 years	3.07	1.06

The weighted average duration of the defined benefit obligation is 8.1 years (31st March, 2019 - 8.1 years).

16.6 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:

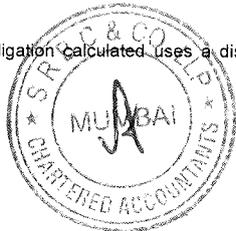
Higher than expected increase in salary will increase the defined benefit obligation.

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 the Standalone Ind AS Financial Statements

17. Deferred Tax

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Deferred Tax Assets (DTA)	(105.97)	(93.84)
Deferred Tax Liabilities (DTL)	159.99	98.85
Total Net Deferred Tax (Asset) / Liability	54.02	5.01

For year ended 31st March, 2020

₹ Crores

Deferred Tax Liability on account of:

	Opening Balance	Recognised	Closing Balance
Property, plant and equipment	88.32	57.05	145.37
Mutual funds carried at FVTPL	0.38	(0.38)	-
EIR impact on borrowings	4.91	(0.27)	4.64
Finance Lease Receivable	4.07	5.30	9.37
Other financial liabilities	0.81	(0.33)	0.48
Other comprehensive income	0.36	(0.23)	0.13
Total DTL	98.85	61.14	159.99

Deferred Tax Assets on account of:

	Opening Balance	Recognised	Closing Balance
MAT credit	(54.98)	54.98	-
Deferred Revenue -Ind AS 115	(30.90)	1.89	(29.01)
Government grants	(2.19)	1.24	(0.95)
Other non-current financial assets	(0.51)	(22.03)	(22.54)
Unabsorbed Depreciation	(5.26)	(48.21)	(53.47)
Total DTA	(93.84)	(12.13)	(105.97)

For year ended 31st March, 2019

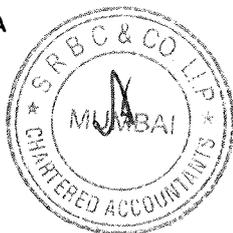
₹ Crores

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 non-current financial assets	-	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)



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

18. Other Non-current Liabilities

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Deferred Revenue		
- Opening	99.63	82.70
- Add: Additions during the year	15.62	16.93
- Closing balance	115.25	99.63
Total Other Non-current Liabilities	115.25	99.63

19. Current Borrowings

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Unsecured - At Amortised Cost		
From Related Parties		
Af-Taab Investment Company Limited	-	125.00
Walwhan Renewable Energy Limited	42.50	-
The Tata Power Company Limited	450.00	-
From Others		
Commercial Paper	543.23	933.98
	1,035.73	1,058.98
Secured - At Amortised Cost		
From Banks		
Short-term Loans- LC and Bill Discounting	529.26	-
	529.26	-
Total	1,564.99	1,058.98

Security

(a) Lenders have an exclusive charge on specified assets purchased under the Letter of Credit for the 150 MW MSEDCL project located in Rajasthan and 250 MW KREDL project located in Karnataka.

(b) First charge on bills/receivables discounted under the Bill of Exchange facility provided by Canara Bank with 0% margin. The facility also provides for a Corporate Guarantee by the holding company.



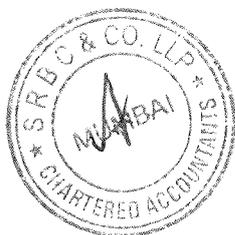
Tata Power Renewable Energy Limited
Notes forming part of the Standalone Ind AS Financial Statements

20. Other Financial Liabilities

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Non-current		
Payable for capital supplies and services	13.32	6.64
Total	13.32	6.64
Current		
(a) Current Maturities of Long-term Debt(Refer Note 15)	197.61	84.39
(b) Interest accrued but not due on Borrowings	118.73	65.51
(c) Interest accrued but not due on Borrowings - related parties	-	0.22
(d) Payables for capital supplies and services	156.49	1,432.81
(e) Other Financial Liabilities	42.99	42.57
Total	515.82	1,625.50

21. Other Current Liabilities

	As at 31st March, 2020 ₹ Crores	As at 31st March, 2019 ₹ Crores
Statutory Liabilities	3.45	3.95
Other Liabilities	0.08	0.04
Total	3.53	3.99



22. 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.

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 15 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

The Company recognises Delayed Payment Charges (DPC) on accrual basis based on contractual terms and an assessment of certainty of realization which could be based either on acknowledgement of the charges by the concerned customer or if a regulatory or statutory body passes a favourable order.

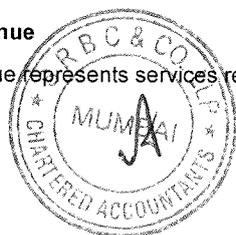
C. Dividend and Interest income

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.



22. Revenue from Operations (contd.)

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
(a) Revenue from contract with customers		
Revenue from Power Supply	892.79	682.50
(Less): Cash Discount	(6.38)	(6.43)
	886.41	676.07
(b) Income from Finance Lease	2.65	0.56
	2.65	0.56
(c) Other Operating Revenue		
Generation Based Incentive	20.26	30.12
Compensation Earned	-	4.19
Income from operating lease of Land and Plant & Equipment	1.21	-
Amortisation of Deferred Grant	2.50	2.82
Miscellaneous Revenue	4.43	1.65
	28.40	38.78
Total	917.46	715.41
Details of Revenue from contract with customers		
Revenue from Power Supply (net of cash discount)	886.41	676.07
Income from Finance Lease	2.65	0.56
Income from operating lease of Land and Plant & Equipment	1.21	-
Total revenue from contract with customers	890.27	676.63
Add : Significant financing component	12.07	10.17
Add : Cash Discount/Rebates etc.	6.38	6.43
Total revenue as per contracted price	908.72	693.23

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. The aggregate value of performance obligations that are partially unsatisfied as at 31st March, 2020, other than those meeting the exclusion criteria mentioned above is as given below :

Disclosure on Transaction Price - Remaining Performance Obligation

Revenue from Power Supply to be recognised

Within one year	63.47	54.61
Beyond one year	1,072.44	914.82
Total	1135.91	969.43

23. Other Income

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
(a) Interest Income		
On Financial Assets held at Amortised Cost		
Interest on Banks Deposits	0.34	0.11
Interest on Income-tax Refund	-	0.09
Interest on loans to Subsidiaries	27.91	29.63
Other Interest	0.02	-
	28.27	29.83
(b) Dividend Income		
From Non-current Investments	-	40.35
Subsidiaries	-	40.35
(c) Gain on Investments		
Gain on fair value/sale of Current Investment measured at FVTPL	4.85	10.90
	4.85	10.90
(d) Other Non-operating Income		
Miscellaneous Income	3.43	5.50
	3.43	5.50
Total	36.55	86.58



24. 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.

	<u>For the year ended</u> <u>31st March, 2020</u> <u>₹ Crores</u>	<u>For the year ended</u> <u>31st March, 2019</u> <u>₹ Crores</u>
Salaries, Wages and Bonus	9.58	5.23
Contribution to Provident Fund	0.34	0.20
Contribution to Superannuation Fund	0.06	0.08
Retiring Gratuities	0.76	0.35
Leave Encashment	0.61	0.27
Pension	(0.03)	-
Staff Welfare Expenses	0.90	0.82
	<u>12.22</u>	<u>6.95</u>
Less:		
Employee Cost Capitalised	-	0.64
	-	<u>0.64</u>
Total Employee Benefit Expenses	<u>12.22</u>	<u>6.31</u>



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

25. Finance Costs
Accounting Policy

Borrowing Costs

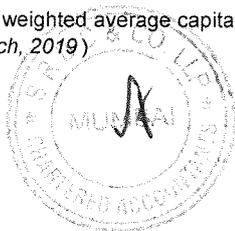
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially 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, 2020</u> <u>₹ Crores</u>	<u>For the year ended</u> <u>31st March, 2019</u> <u>₹ Crores</u>
(a) Interest Expense:		
Borrowings		
Interest on Debentures	133.30	105.72
Interest on Loans - Banks & Financial Institutions	262.19	137.21
Interest on Loans - Holding Company	10.10	8.89
Interest on Commercial Paper	61.85	63.43
Others		
Interest on Lease Liability	8.04	-
Other Interest and Commitment Charges	2.94	0.08
	<u>478.42</u>	<u>315.33</u>
Less: Interest Capitalised	14.72	15.88
	<u>463.70</u>	<u>299.45</u>
(b) Other Borrowing Cost:		
Other Finance Costs	16.13	21.08
Less: Finance cost Capitalised	0.43	0.04
	<u>15.70</u>	<u>21.04</u>
Total	<u>479.40</u>	<u>320.49</u>

Note The weighted average capitalisation rate on the Company's general borrowings is 7.74% per annum (8.28% per annum for 31st March, 2019)



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

26. Other Expenses

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
Rental of Land, Buildings, Plant and Equipment, etc.	0.02	2.42
Repairs and Maintenance	86.87	46.83
Rates and Taxes	2.89	1.09
Insurance	4.33	3.17
Other Operational Expenses	1.52	0.02
Penalty	0.49	0.12
Travelling and Conveyance Expenses	1.38	0.94
Electricity Consumed	6.76	6.59
Other Fees	2.14	1.65
Business Development Expenditure	1.08	2.33
Consultants' Fees	1.92	1.03
Auditors' Remuneration [Refer Note (i) below]	0.34	0.31
Cost of Services Procured	4.30	4.69
Lease Rental	1.02	0.88
Legal Charges	3.23	0.99
Corporate Social Responsibility Expenses [Refer Note (ii) below]	1.76	1.42
Tata Brand Equity	0.19	1.88
Director's Fee	0.13	0.22
Miscellaneous Expenses	0.41	0.06
Total	120.78	76.64

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

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
Statutory Audit	0.18	0.18
For Taxation Matters	0.05	0.05
For Other Services	0.09	0.06
Reimbursement of Expenses	0.02	0.02
Total	0.34	0.31



Tata Power Renewable Energy Limited

Notes forming part of the Standalone Ind AS Financial Statements

(ii) Corporate Social Responsibility Expenses

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
Contribution to Tata Power Community Development Trust	1.76	1.42
Total	1.76	1.42
Amount required to be spent as per section 135 of the Act	1.76	1.42
Amount spent (in cash) during the year on:		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	1.25	1.42
Amount unspent during the year	0.51	-

27. 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. Future cash flows in respect of below matters are determinable only on receipt of final judgements / decisions of the respective authorities.

(a) As at 31st March, 2020, there is a demand of ₹ 0.55 crores (₹ 0.55 crores as on 31st March, 2019) related to VAT Assessment for FY 2013-14. The company has filed an appeal against the aforesaid order.

The department has disallowed ₹ 0.67 crores 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.

(b) The Company has provided Corporate Guarantee of ₹ Nil as on 31st March, 2020 (31st March, 2019 ₹ 298.84 crores) on behalf of Walwhan Renewable Energy Limited (WREL).

(c) Bank Guarantee issued ₹ 260.01 crores (including ₹15.10 crores on behalf of WREL) as on 31st March, 2020 (31st March, 2019 ₹ 313.01 crores, including ₹ 15.10 crores on behalf of WREL).

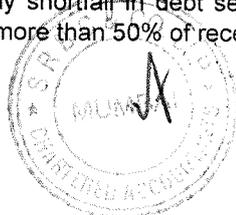
(d) The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. There were many interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) as regards definition of PF wages and inclusion of certain allowances for the purpose of PF contribution, as well as effective date of its applicability. Having consulted and evaluated impact on its financial statement, the Company has implemented the changes as per clarifications vide the Apex Court judgement dated 28th February, 2019, with effect from 1st March, 2019 i.e., immediate after pronouncement of the judgement, as part of statutory compliance. The Company will evaluate its position and act, in case there is any other interpretation of the same issued in future either in form of Social Security Code or by authorities concerned under the Employees' Provident Funds and Miscellaneous Provisions Act.

28. Commitments :

(a) Estimated amount of contracts remaining to be executed (net of capital advance) on capital account and not provided for ₹ 2,662.87 crores (31st March, 2019 ₹ 284.85 crores).

(b) WREL has taken credit facility of ₹ 2,186.00 crores 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 crores 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.



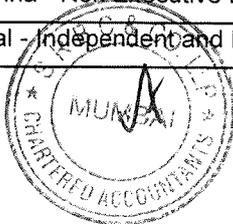
Tata Power Renewable Energy Limited

Notes forming part of the Standalone Ind AS Financial Statements

29. 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:

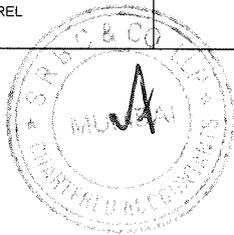
(a) Names of the related parties and description of relationship:

Name of the Related Party	Country of Origin
Holding Company	
The Tata Power Company Limited (TPCL)	India
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
TP Kirnali Limited	India
TP Solapur Limited	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
Coastal Gujarat Power Limited	India
Maithon Power Limited	India
Powerlinks Transmission Limited	India
Others	
Tata Sons Private Limited (Promoter of the Holding Company)	India
Tata AIG General Insurance Company Limited (Subsidiary of Tata Sons Private Limited)	India
Tata Autocomp Systems Limited	India
Key Management Personnel	
Mahesh Paranjpe - CEO	India
Gautam Attravanam - CFO (w.e.f. 05th November, 2018)	India
Mona Purandare -CS	India
Nawshir Mirza - Independent Director (Ceased to be a director w.e.f. 9th March 2020)	India
Praveer Sinha - Chairman and Non-Executive Director	India
Sanjay Bhandarkar - Independent and Non Executive Director	India
Ramesh Subramanyam - Independent and Non Executive Director	India
Ashish Khanna - Non Executive Director	India
Anjali Bansal - Independent and Non Executive Director	India



29 (b) Details of Transactions / Balances Outstanding:

Particulars											₹ Crores	
	TPCL	WREL	IRRJL	MPL	VWL	CSL	TPSSL	TPTCL	TACO	TP Solapur	TP Kinnali	
Operation / Project Management Service	1.90	-	-	-	-	-	-	-	-	-	-	-
	3.64	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	1.31	-	-	-	-	-	19.73	0.10	-	-	-	-
	2.50	-	-	-	-	-	19.24	-	-	-	-	-
Other Income	-	-	0.09	-	-	-	-	-	-	-	-	-
	-	-	0.05	-	-	-	-	-	-	-	-	-
Purchase of Fixed asset	-	-	-	-	-	-	431.34	-	-	-	-	-
	-	-	-	-	-	-	1,885.79	-	-	-	-	-
Guarantees taken from (including corporate guarantees)	14.26	-	-	-	-	-	-	-	-	-	-	-
	-	298.84	-	-	-	-	-	-	-	-	-	-
Guarantees returned to (including corporate guarantees)	556.50	-	-	-	-	-	-	-	-	-	-	-
	500.00	-	-	-	-	-	-	-	-	-	-	-
Guarantees issued to (including corporate guarantees)	-	-	-	-	-	-	-	-	-	-	-	-
	-	10.91	-	-	-	-	-	-	-	-	-	-
Guarantees returned by (including corporate guarantees)	-	298.84	-	-	-	-	-	-	-	-	-	-
	-	78.89	-	-	-	-	-	-	-	-	-	-
Interest Expenditure	6.55	0.31	-	0.13	-	-	-	-	-	-	-	-
	2.36	3.09	-	-	-	-	-	-	-	-	-	-
Interest Income	0.00	-	7.66	-	13.37	6.38	-	-	-	-	-	-
	2.03	-	7.60	-	13.37	6.36	-	0.28	-	-	-	-
Dividend Received	-	-	-	-	-	-	-	-	-	-	-	-
	-	40.35	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-
	54.35	-	-	-	-	-	-	-	-	-	-	-
Borrowings Received	895.06	242.50	-	150.00	-	-	-	-	-	-	-	-
	295.00	191.40	-	-	-	-	-	-	-	-	-	-
Borrowings Repaid (including conversion in equity)	445.06	200.00	-	150.00	-	-	-	-	-	-	-	-
	295.00	191.40	-	-	-	-	-	-	-	-	-	-
Advance toward investment in equity	-	-	-	-	-	-	-	-	-	-	0.05	0.05
	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Power	63.21	-	-	-	-	-	-	-	0.17	-	-	-
	63.61	-	-	-	-	-	-	-	-	-	-	-
Cash Discount given	0.77	-	-	-	-	-	-	-	-	-	-	-
	0.78	-	-	-	-	-	-	-	-	-	-	-
Loans given or assigned	2.00	-	6.18	-	-	-	-	-	-	-	-	-
	402.10	-	30.50	-	17.66	-	-	110.00	-	-	-	-
Loans given (received back)	2.00	-	25.31	-	10.77	-	-	-	-	-	-	-
	402.10	-	10.75	-	3.77	-	-	110.00	-	-	-	-
Expenses incurred on behalf of	-	-	-	-	0.01	-	-	-	-	-	0.20	0.68
	0.45	-	-	-	-	-	-	-	-	-	-	-
Received on account of Third party	-	-	-	-	10.00	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Balance Outstanding												
Loans taken (including Interest thereon)	452.69	42.62	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Perpetual securities outstanding	3,895.00	-	-	-	-	-	-	-	-	-	-	-
	3,895.00	-	-	-	-	-	-	-	-	-	-	-
Loan given outstanding (including interest accrued thereon)	-	-	73.13	-	125.63	79.50	-	-	-	-	-	-
	-	-	92.25	-	131.91	84.97	-	-	-	-	-	-
Advances towards capex	-	-	-	-	-	-	36.85	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Other Payables	1.51	0.01	-	-	-	-	140.25	-	-	-	-	-
	3.27	-	-	-	-	-	1,410.82	-	-	-	-	-
Other Receivable	10.13	0.01	0.08	-	0.01	-	-	-	0.17	0.20	0.68	-
	5.66	0.92	0.13	-	-	-	-	-	-	-	-	-
Fair value of corporate guarantee	5.00	-	-	-	-	-	-	-	-	-	-	-
	5.00	-	-	-	-	-	-	-	-	-	-	-
Guarantees given on behalf of TPREL	1,692.76	-	-	-	-	-	-	-	-	-	-	-
	2,235.00	-	-	-	-	-	-	-	-	-	-	-
Bank Guarantees given on behalf of WREL	-	15.10	-	-	-	-	-	-	-	-	-	-
	-	313.94	-	-	-	-	-	-	-	-	-	-



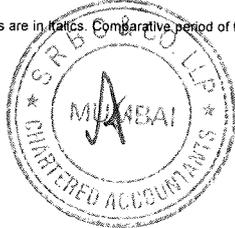
29 (b) Details of Transactions / Balances Outstanding (contd.)

Particulars	₹ Crores									
	Supa	Nivade	Poolavadi	TPGEL	Powerlinks	CGPL	Af-Taab	Tata AIG	Tata Sons	Key Management Personnel
Receiving of Services	-	-	-	-	-	-	-	3.10	-	-
	-	-	-	-	-	-	-	2.50	-	-
Other Income	-	-	0.77	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Insurance claim Received	-	-	-	-	-	-	-	3.50	-	-
	-	-	-	-	-	-	-	1.50	-	-
Interest Expenditure	-	-	-	-	-	0.34	2.77	-	-	-
	-	-	-	-	-	-	3.43	-	-	-
Interest Income	-	-	0.50	-	-	0.00	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Borrowings Received	-	-	-	-	-	525.00	-	-	-	-
	-	-	-	-	-	-	125.00	-	-	-
Borrowings Repaid (including conversion in equity)	-	-	-	-	-	525.00	125.00	-	-	-
	-	-	-	-	-	-	-	-	-	-
Loans given or assigned	-	-	34.01	-	-	4.50	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Loans given (received back)	-	-	-	-	-	4.50	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Remuneration *	-	-	-	-	-	-	-	-	-	2.16
	-	-	-	-	-	-	-	-	-	2.46
Investment in equity (including conversion)	-	-	57.09	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Tata Brand Equity	-	-	-	-	-	-	-	-	0.19	-
	-	-	-	-	-	-	-	-	1.78	-
Balance Outstanding										
Loans taken (including Interest thereon)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	125.22	-	-	-
Loan given outstanding (including interest accrued thereon)	-	-	34.46	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-	-	-	0.13	-
	-	-	-	-	0.01	-	-	-	1.78	-
Other Receivable	0.04	0.04	0.92	-	-	-	-	0.06	-	-
	0.04	0.04	-	0.03	-	-	-	-	-	-

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 lakhs. Comparative period of the movement is for the period 01st April, 2018 to 31st March, 2019 and closing balance is for the year ended 31st March, 2019.



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

30 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, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
Current Tax	-	22.43
MAT Credit	-	(11.10)
Deferred Tax	1.12	35.48
Remeasurement of deferred tax on account of new tax regime	48.12	-
Total income tax expense recognised	49.24	46.81

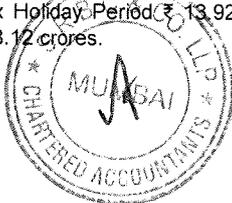
The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
Profit before tax	2.06	139.34
Income tax expense calculated at 25.168 % for FY 2019-20 and 34.944% for FY 2018-19	0.52	48.69
Effect of expenses that are not deductible in determining taxable profit	0.80	1.31
Effect of non-taxable income	-	(14.10)
Effect of tax holiday period	-	0.42
Effect of MAT credit for earlier years	-	10.90
Effect of tax on other items	0.03	0.31
Effect of movement of tax on which no deferred tax was recognised or adjustment arising in current year	(0.23)	(0.72)
Effect of MAT credit write-off due to new tax regime	54.98	-
Effect of reversals during 80-IA due to new tax regime	13.92	-
Effect of deferred tax balances due to changes in income tax rate from 34.944% to 25.168%	(20.78)	-
Income tax expense recognised in statement of profit or loss	49.24	46.81

1. The tax rate used for the year 2019-20 and 2018 - 19 is the corporate tax rate of 25.168% and 34.944% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

2. The rate used for calculation of deferred tax is 34.944% for 2018-19 and 25.168% for 2019-20 .

3. The Company is likely to exercise the option given under section 115BAA of the Income -Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (since replaced by the Taxation Laws (Amendment) Act, 2019). Accordingly, the Company has recognised Current Tax for the year and re-measured its Deferred Tax Liability basis the rate prescribed in the said Amendment. Consequently, the Company is not entitled to carry forward MAT credit nor the Company is allowed to tax holiday under section 80-IA of the Income-Tax Act ,1961. This has resulted in write-off of MAT credit amounting to ₹ 54.98 crores, recognition of Deferred Tax Liability (DTL) for temporary differences reversing in the erstwhile Tax Holiday Period ₹ 13.92 crores and reduction of deferred tax liability by ₹ 20.78 crores. The tax charge for the year have increased by ₹ 48.12 crores.



(ii) **Deferred Tax**
Accounting Policy

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

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

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

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

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

Deferred tax

In respect of the current year
MAT Credit in respect of current year
MAT Credit in respect of previous years
Remeasurement of deferred tax on account of new tax regime

For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
1.12	35.48
-	(22.00)
-	10.90
48.12	-
49.24	#REF!

Deferred tax recognised in other comprehensive income

Remeasurement of Defined Benefit Plan
Total

For the year ended 31st March, 2020 ₹ Crores	For the year ended 31st March, 2019 ₹ Crores
(0.23)	0.20
(0.23)	0.20



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

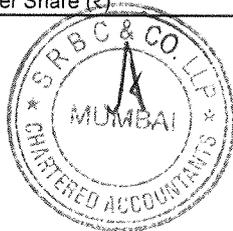
31 Earnings per Share:

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, 2020	For the year ended 31st March, 2019
Basic		
Net profit for the period attributable to equity shareholders (₹ crores)	(47.18)	92.53
Weighted Average Number of Equity Shares for Basic EPS (Nos)	1,045,107,715	1,045,107,715
Par value per equity share (₹)	10.00	10.00
Basic Earnings Per Share (₹)	(0.45)	0.89
Diluted		
Net profit for the period attributable to equity shareholders (₹ crores)	(47.18)	92.53
Profit attributable to equity shareholders on dilution (₹ crores)	(47.18)	92.53
The weighted average number of equity shares for Basic EPS (Nos)	1,045,107,715	1,045,107,715
Add: Effect of Share application money pending allotment	-	-
Weighted average number of equity shares for Diluted EPS (Nos)	1,045,107,715	1,045,107,715
Par value per equity share (₹)	10.00	10.00
Diluted Earnings Per Share (₹)	(0.45)	0.89



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

32 Financial Instruments

(i) Fair Value

The carrying value of financial instruments by categories as of 31st March, 2020 is as follows:

Amount in ₹ Crores

Particulars	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
Assets :					
Cash and Cash Equivalents	-	-	54.31	54.31	54.31
Trade Receivables	-	-	267.94	267.94	267.94
Unbilled Revenue	-	-	85.29	85.29	85.29
Investments (mutual funds)	47.01	-	-	47.01	47.01
Other balances with banks	-	-	-	-	-
Loans	-	-	315.59	315.59	315.59
Finance lease receivable	-	-	37.20	37.20	37.20
Other financial assets	-	-	139.87	139.87	139.87
Total	47.01	-	900.20	947.21	947.21
Liabilities :					
Fixed rate borrowings (including current maturities)	-	-	1,717.88	1,717.88	1,730.38
Floating rate borrowings (including current maturities)	-	-	4,065.32	4,065.32	4,073.69
Finance Lease Liabilities (including current maturities)	-	-	87.06	87.06	87.06
Trade Payables	-	-	31.88	31.88	31.88
Other Financial Liabilities	-	-	331.53	331.53	331.53
Total	-	-	6,233.67	6,233.67	6,254.54

The carrying value of financial instruments by categories as of 31st March, 2019 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	-	-	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



Tata Power Renewable Energy Limited
Notes forming part of the Standalone Ind AS 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 ₹ Crores				
As at 31.03.2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Fund Investment	47.01	-	-	47.01
Loans	-	256.63	-	256.63
Finance lease receivable	-	35.89	-	35.89
Other Non current financial assets	-	22.43	-	22.43
Total	47.01	314.95	-	361.96
As at 31.03.2019				
Financial Assets	Level 1	Level 2	Level 3	Total
Mutual Fund Investment	42.16	-	-	42.16
Loans	-	298.77	-	298.77
Finance lease receivable	-	11.35	-	11.35
Other Non current financial assets	-	29.17	-	29.17
Total	42.16	339.29	-	381.45

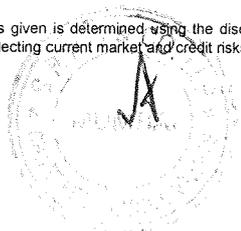
The following table summarises financial liabilities measured at fair value on a recurring basis and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

Amount in ₹ Crores				
As at 31.03.2020	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Fixed rate borrowings (including current maturity)	511.31	1,219.07	-	1,730.38
Floating rate borrowings (including current maturity)	1,079.18	2,994.51	-	4,073.69
Other financial liabilities	-	13.32	-	13.32
Total	1,590.49	4,226.90	-	5,817.39
As at 31.03.2019				
Financial Liabilities	Level 1	Level 2	Level 3	Total
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
Other financial liabilities	-	6.64	-	6.64
Total	1,068.86	3,147.10	-	4,215.96

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.

Long-term fixed-rate and floating-rate borrowings (including current maturities) are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and the risk characteristics of the financed project. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the borrowing. These cash flows are discounted at a rate that reflects current market rate and the current credit risk.

The fair value of loans given is determined using the discounted cash flow method. Future cashflows are based on the terms of loan. Cashflows are discounted at the current market rate reflecting current market and credit risks.



Tata Power Renewable Energy Limited

Notes forming part of the Standalone Ind AS Financial Statements

b) Capital Management and Gearing Ratio:

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 80% and 100% at consolidated level. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

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, 2020	For the year ended 31st March, 2019
	₹ Crores	₹ Crores
(i) Debt	5,901.93	4,276.25
Less : Cash and Bank balances (including cash and bank balances in a disposal group held for sale)	54.31	43.29
Net debt	5,847.62	4,232.96
(ii) Total Equity	5,030.67	5,078.51
Net debt to equity ratio (%)	116.24%	83.35%

(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 2020 and 31st March 2019.

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, 2020		As of 31st March, 2019	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) <i>Rs.16.19 crs</i>	(-) <i>Rs.16.19 crs</i>	(+) <i>Rs.13.87 crs</i>	(-) <i>Rs.13.87 crs</i>
Effect on profit before tax	(-) <i>Rs.16.19 crs</i>	(+) <i>Rs.16.19 crs</i>	(-) <i>Rs.13.87 crs</i>	(+) <i>Rs.13.87 crs</i>

(ii) Credit risk management

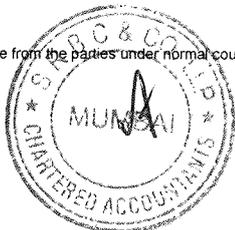
The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

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.

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

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	₹ Crores	₹ Crores
Loans	315.59	307.94
Other financial assets	139.87	200.10

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 the Standalone Ind AS 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 flows and matching the maturity profiles of financial assets and liabilities. The maturity profile of the financial liabilities are listed below:

Expected maturity for financial Liabilities					₹ Crores
	Up to 1 year	2 to 5 years	5+ years	Total	Carrying Amount
31st March, 2020					
Borrowings (including current maturity)	1,755.56	1,788.93	2,247.79	5,792.28	5,783.20
Interest payable on above borrowings	381.01	1,142.74	711.29	2,235.04	118.73
Lease Liability	7.74	32.99	183.31	224.04	87.06
Trade Payables	31.88	-	-	31.88	31.88
Other Financial Liabilities	199.48	13.32	-	212.80	212.80
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

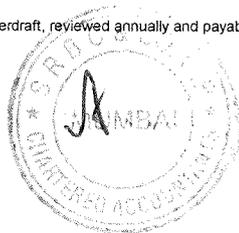
The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for 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	
	31st March, 2020	31st March, 2019
	₹ Crores	₹ Crores
Unsecured bank overdraft, reviewed annually and payable at call:		
Amount unused	60.00	60.00



Tata Power Renewable Energy Limited

Notes forming part of the Standalone Ind AS 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, 2020 ₹ Crores	31st March, 2019 ₹ Crores
(a) Principal amount remaining unpaid as on 31st March	0.20	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. There are no non-current assets located outside India. The Company has earned more than 10 percent revenue from four customers amounting to ₹ 549.26 crores (31st March, 2019 ₹ 521.42 crores).

35. Revenue for the year ended 31st March, 2020 is net of reversal of ₹ 4.02 crores of Generation Based Incentive accrued in excess of eligible limit in the earlier years for one of its wind project.

36. 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 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 Company with effect from 1st April, 2017 (appointed date). As on 31st March, 2020, the subsidiary company has net fixed assets of ₹ 118.67 crores, net worth ₹ 64.79 crores, total income ₹ 38.03 crores and profit after tax ₹ 5.21 crores for the year ended 31st March, 2020. 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.

37. The Board of Directors of the Company at its meeting held on 17th December, 2015 and 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).

- 38 (a) During the previous 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 revenue amounting to ₹ 14.08 crores in the Standalone Ind AS Financial Statements and is also confident of recovering these receivable amounts.

- 38 (b) The Company has signed a Power Purchase Agreement (PPA) of 100MW wind project with Southern Power Distribution Company of Andhra Pradesh Limited ("APSPDCL" or "APDISCOM") that is valid for a term of 25 years at ₹ 4.84 per unit. The Government of Andhra Pradesh (the "GoAP") issued an order (the "GO") dated 1st July, 2019 constituting a High Level Negotiation Committee (the "HLNC") for review and negotiation of tariff for wind and solar projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 12th July, 2019 to the Company requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.43 per unit. Since the Company and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the "APERC") for revision of tariffs.

The Company filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court ("AP High Court") challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court has issued its order dated 24th September, 2019 whereby it allowed the writ petition. The AP High court also instructed APDISCOM to honour pending and future bills at an interim rate of ₹ 2.43 per unit (as against the billed rate). The AP High Court also stated that this rate is only an interim measure until the matter is resolved by the APERC and suggested that the APERC conclude this matter within 6 months period.

During the year ended 31st March, 2020, the Company has received an amount of ₹ 53.79 crores from AP Discom at the interim rate of ₹ 2.43 per unit.

The Company has a net block of ₹ 589.65 crores as at 31st March, 2020 and has recognised a revenue of ₹ 76.36 crores for the year ended 31st March, 2020 and has a trade receivable balance of ₹ 77.73 crores as on 31st March, 2020 from sale of electricity against such PPAs. Management, based on legal opinion, believes it has a strong case on merits and accordingly no impact has been recognized in the Standalone Ind AS Financial Statement.



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

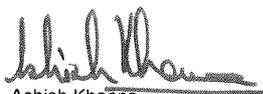
39. During the year, Maharashtra Electricity Regulatory Commission (MERC) has passed an order on the petition filed by the Company confirming that imposition of safeguard duty (including additional GST) is a change in law event and the Company is eligible for compensation on the same. As per the order, the Company is eligible for reimbursement of safeguard duty paid and carrying cost on this safeguard duty. The Compensation will be paid over the term of PPA on per unit basis of units generated. The mechanism prescribed by MERC has been agreed with the customer MSEDCL. Accordingly, the Company has started billing for the safeguard duty component and has recognised revenue of ₹ 5.54 crores in the current year. Considering the favourable order passed by MERC, the Company has also recognised revenue of ₹ 6.76 crores for its 250 MW solar plant in Karnataka pending order from Karnataka Electricity Regulatory Commission (KERC).
40. During the year ended 31st March 2020, the Company received Service tax demand of ₹ 6.11 crores for the period 2013-14 to 2016-17. The Company had already paid ₹ 3.97 crores in respective years and balance amount of ₹ 2.14 crores was paid under protest during the year ended 31st March, 2019. During the year, the Company has filed an Amnesty application under Sabka Vishwas Scheme resulting in waiver of interest and penalty on this demand. The amount of ₹ 2.14 crores paid under protest is charged to statement of profit and loss.
41. India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Considering that the Company is in the business of generating renewable energy which is granted "must run" status the revenue generation is likely to be largely unaffected. Also being in the business of essential services operations are also exempt from general restrictions on movement of personnel or inputs. Therefore management believes that there is not much of financial impact due to this pandemic. The activity in projects currently under construction though impacted is unlikely to cause financial impact as the Ministry of New and Renewable Energy has provided a time extension to the scheduled commissioning date by a period equal to the lockdown period plus an additional 30 days. The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.
42. **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.
43. **Approval of Standalone Ind AS Financial Statements**
The Standalone Ind AS Financial Statements were approved by the Board of Directors on 01st May, 2020.

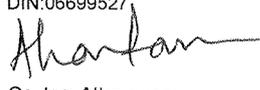
For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



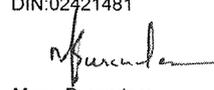
Mumbai, 01st May, 2020

For and on behalf of the Board,


Ashish Khanna
Director
DIN:06699527


Gautam Attravanam
Chief Financial Officer


Ramesh Subramanyam
Director
DIN:02421481


Mona Purandare
Company Secretary


Mahesh Paranjpe
Chief Executive Officer

Mumbai, 01st May, 2020