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**NTPC GREEN ENERGY LIMITED**  
**CORPORATE IDENTITY NUMBER: U40100DL2022GOI396282**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, India	Renewable Building Netra Complex, E3 Main Market Road, Ecotech II, Udyog Vihar, Gautam Buddha Nagar, Noida-201 306, Uttar Pradesh, India	Manish Kumar (Company Secretary and Compliance Officer)	Tel: +91 11 2436 2577 Email: ngel@ntpc.co.in	www.ngel.in

**OUR PROMOTERS: PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF POWER, GOVERNMENT OF INDIA AND NTPC LIMITED**

**DETAILS OF THE ISSUE TO PUBLIC**

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS, RIIS, ELIGIBLE EMPLOYEES AND ELIGIBLE SHAREHOLDERS
Fresh Issue	Fresh issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 100,000.00 million	Not applicable	Up to ₹ 100,000.00 million	The Issue is being made pursuant to Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) as our Company does not fulfil the requirements under Regulation 6(1) of the SEBI ICDR Regulations since it has been recently incorporated in the year 2022. For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Issue” on page 542. For details in relation to the share reservation among QIBs, NIIs, RIIs, Eligible Employees and Eligible Shareholders, see “Issue Structure” beginning on page 567.

**DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE**

NAME OF THE SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	AGGREGATE PROCEEDS FROM OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)
Not applicable				

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of Equity Shares of face value of ₹ 10 each of our Company, there has been no formal market for the Equity Shares of face value of ₹ 10 each of our Company. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares of face value of ₹ 10 each by way of the Book Building Process and in accordance with SEBI ICDR Regulations, and as stated in “Basis for Issue Price” beginning on page 133) should not be taken to be indicative of the market price of the Equity Shares of face value of ₹ 10 each after the Equity Shares of face value of ₹ 10 each are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares of face value of ₹ 10 each will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares of face value of ₹ 10 each in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” beginning on page 31.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.





**LISTING**



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The Equity Shares of face value of ₹ 10 each offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”). For the purposes of the Issue, NSE is the Designated Stock Exchange.

#### BOOK RUNNING LEAD MANAGERS

NAME OF THE BOOK RUNNING LEAD MANAGERS AND LOGO	CONTACT PERSON(S)	TELEPHONE AND E-MAIL
 IDBI Capital Markets & Securities Limited	Indrajit Bhagat / Drashti Dugar	<b>Tel:</b> +91 22 4069 1953 <b>E-mail:</b> ngel.ipo@idbicapital.com
 HDFC BANK We understand your world	Sanjay Chudasama/ Bharti Ranga	<b>Tel:</b> +91 22 3395 8233 <b>E-mail:</b> ntpcgreen.ipo@hdfcbank.com
 IIFL CAPITAL	IIFL Capital Services Limited (formerly known as IIFL Securities Limited)	<b>Tel:</b> +91 22 4646 4728 <b>E-mail:</b> ngel.ipo@iiflcap.com
 nuvama	Nuvama Wealth Management Limited	<b>Tel:</b> +91 22 4009 4400 <b>E-mail:</b> ngelipo@nuvama.com

#### DETAILS OF REGISTRAR TO THE ISSUE

NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE AND E-MAIL
KFin Technologies Limited	M. Murali Krishna	<b>Tel:</b> +91 40 6716 2222/ 1800 309 4001 <b>E-mail:</b> ntpcgreen.ipo@kfintech.com

#### BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE <sup>(1)</sup>	BID/ISSUE OPENS	BID/ISSUE CLOSES
MONDAY, NOVEMBER 18, 2024	ON <sup>(1)</sup>	ON <sup>(2)</sup>
	TUESDAY, NOVEMBER 19, 2024	FRIDAY, NOVEMBER 22, 2024

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

(2) UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.



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### NTPC GREEN ENERGY LIMITED

Our Company was incorporated as "NTPC Green Energy Limited", a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated April 7, 2022, issued by the Registrar of Companies, Delhi and Haryana. For further details, see "History and Certain Corporate Matters" on page 243

**Registered Office:** NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, India  
**Corporate Office:** Renewable Building Netra Complex, E3 Main Market Road, Ecotech II, Udyog Vihar, Gautam Buddha Nagar, Noida-201 306, Uttar Pradesh, India  
**Contact Person:** Manish Kumar, Company Secretary and Compliance Officer;  
**Tel:** +91 11 2436 2577; **Email:** nge@ntpc.co.in; **Website:** www.nge.in

#### OUR PROMOTERS: PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF POWER, GOVERNMENT OF INDIA AND NTPC LIMITED

INITIAL PUBLIC OFFERING OF UP TO 10% EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF NTPC GREEN ENERGY LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 10 PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ 10 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING UP TO ₹ 100,000.00 MILLION (THE "ISSUE").

THIS ISSUE INCLUDES A RESERVATION OF UP TO 10% EQUITY SHARES AGGREGATING UP TO ₹ 2,000.00 MILLION (CONSTITUTING UP TO 10% OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION") AND A RESERVATION OF UP TO 10% EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AGGREGATING UP TO ₹ 10,000.00 MILLION (CONSTITUTING UP TO 10% OF THE ISSUE) FOR SUBSCRIPTION BY ELIGIBLE SHAREHOLDERS ("SHAREHOLDERS' RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY OFFER A DISCOUNT OF UP TO 10% (EQUIVALENT OF ₹ 10 PER EQUITY SHARE) TO THE ISSUE PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION AND THE SHAREHOLDERS' RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET ISSUE". THE ISSUE AND THE NET ISSUE WOULD CONSTITUTE 10% AND 10%, RESPECTIVELY, OF OUR POST- ISSUE PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH. THE ISSUE PRICE IS 10 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE EMPLOYEE DISCOUNT (IF ANY) AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMs, AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE AND NSE FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company, may in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion, the "QIB Portion"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis as decided by our Company in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors ("Anchor Investor Allocation Price"). In the event of undersubscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Issue Price and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Net Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders ("NIBs") of which (a) one-third portion shall be reserved for applicants with application size of more than ₹ 20 million and up to ₹ 1.00 million; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further not more than 10% of the Net Issue shall be available for allocation to Retail Individual Bidders ("RIB") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, up to 10% Equity Shares, aggregating up to ₹ 2,000.00 million will be allocated on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received from them at or above the Issue Price. Furthermore, up to 10% Equity Shares, aggregating up to ₹ 10,000.00 million shall be made available for allocation on a proportionate basis only to Eligible Shareholders bidding in the Shareholders Reservation Portion, subject to valid Bids being received at or above the Issue Price. All Bidders (except Anchor Investors) are mandatorily required to utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA Process. For further details, see "Issue Procedure" beginning on page 572

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Issue Price, Floor Price and Cap Price, as determined by our Company, in consultation with the BRLMs on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with the SEBI ICDR Regulations and as stated in "Basis for Issue Price" beginning on page 133, should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 31

#### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

#### LISTING

The Equity Shares once offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters each dated October 18, 2024. For the purposes of the Issue, NSE shall be the Designated Stock Exchange. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 629.

#### BOOK RUNNING LEAD MANAGERS

#### REGISTRAR TO THE ISSUE

<b>IDBI Capital Markets &amp; Securities Limited</b> 6th Floor, IDBI Tower WTC Complex Cuffe Parade Mumbai - 400 005, Maharashtra, India Tel: +91 22 4069 1953 E-mail: nge.ipo@idbicapital.com Investor Grievance E-mail: redressal@idbicapital.com Website: www.idbicapital.com Contact Person: Indrajit Bhagat / Drashti Dugar SEBI Registration Number: INM00010866	<b>HDFC Bank Limited</b> Investment Banking Group, Unit No. 701, 702 and 702-A 7th Floor, Tower 2 and 3, One International Centre, Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013 Maharashtra, India Tel: +91 22 3395 8233 E-mail: ntpc.green.ipo@hdfcbank.com Investor Grievance E-mail: investor.redressal@hdfcbank.com Website: www.hdfcbank.com Contact Person: Sanjay Chudasama/ Bharti Ranga SEBI Registration No.: INM000011252	<b>IIFL Capital Services Limited (formerly known as IIFL Securities Limited)</b> 24th floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West) Mumbai - 400 013 Maharashtra, India Tel: +91 22 4646 4728 E-mail: nge.ipo@iiflcap.com Investor grievance e-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact person: Mani Sampat/Pawan Jain SEBI registration no.: INM000010940	<b>Nuvama Wealth Management Limited</b> 801 - 804, Wing A, Building No 3, Inspire BKC, G Block Bandra Kurla Complex, Bandra East Mumbai - 400 051 Maharashtra, India Tel: +91 22 4009 4400 E-mail: nge.ipo@nuvama.com Investor grievance e-mail: customerservice.mb@nuvama.com Website: www.nuvama.com Contact Person: Pari Vaya SEBI Registration No.: INM000013004	<b>KFin Technologies Limited</b> Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakrangauda, Serilingampally Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222/ 1800 309 4001 E-mail: ntpcgreen.ipo@kfintech.com Investor grievance e-mail: einward.risk@kfintech.com Website: www.kfintech.com Contact person: M. Murali Krishna SEBI registration no: INR00000221

#### BID/ISSUE PROGRAMME

<b>ANCHOR INVESTOR BIDDING DATE<sup>(1)</sup></b>	<b>MONDAY, NOVEMBER 18, 2024</b>
<b>BID/ISSUE OPENS ON</b>	<b>TUESDAY, NOVEMBER 19, 2024</b>
<b>BID/ISSUE CLOSES ON<sup>(2)</sup></b>	<b>FRIDAY, NOVEMBER 22, 2024</b>

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.  
(2) UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies in India”, “Statement of Special Tax Benefits”, “Restated Consolidated Financial Information”, “Special Purpose Carved-Out Combined Financial Statements”, “Basis for Issue Price”, “History and Certain Corporate Matters”, “Financial Indebtedness”, “Restriction on Foreign Ownership of Indian Securities” “Other Regulatory and Statutory Disclosures”, “Outstanding Litigation and Material Developments”, “Description of Equity Shares and Terms of Articles of Association” and “Issue Procedure” on pages 151, 236, 144, 282, 365, 133, 243, 516, 596, 542, 521, 598 and 572, respectively, shall have the meaning ascribed to them in the relevant section.*

#### General Terms

Term	Description
“our Company or “the Company” or “the Issuer”	NTPC Green Energy Limited having its registered office at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110003, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries and Joint Venture, on a consolidated basis as at and during the relevant period / fiscal year

#### Company Related Terms

Term	Description
“Articles of Association” or “AoA”	Articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Our Management- Committees of the Board - Audit Committee</i> ” on page 260.
“Auditors” or “Statutory Auditors”	M/s P.R. Mehra & Co., Chartered Accountants, current statutory auditors of our Company.
Board or Board of Directors	Board of directors of our Company, as appointed from time to time as described in “ <i>Our Management</i> ” beginning on page 252.
CAG	Comptroller and Auditor General of India
Carved-out basis	Carved-out combined basis
Carved-out financial information	Carved-out combined financial information
Chairman	Chairman of our Board, being Gurdeep Singh, as described in “ <i>Our Management-Board of Directors</i> ” on page 252.
Chief Executive Officer or “CEO”	Chief Executive Officer of our Company, namely Rajiv Gupta, as described in “ <i>Our Management- Key Managerial Personnel</i> ” on page 270.
Chief Financial Officer or “CFO”	Chief Financial Officer of the Company, namely Neeraj Sharma, as described “ <i>Our Management- Key Managerial Personnel</i> ” on page 270.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company namely Manish Kumar, as described in “ <i>Our Management- Key Managerial Personnel</i> ” on page 270.
Corporate Promoter	Our Corporate Promoter, namely NTPC Limited as described in “ <i>Our Promoters and Promoter Group-Details of our Promoters</i> ” on page 274.
Corporate Office	Corporate Office of our Company located at Renewable Building Netra Complex, E3 Main Market Road, Ecotech II, Udyog Vihar, Gautam Buddha Nagar, Noida-201 306, Uttar Pradesh, India

<b>Term</b>	<b>Description</b>
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in in “ <i>Our Management- Committees of the Board -Corporate Social Responsibility Committee</i> ” on page 264.
Director(s)	The directors on the Board of our Company, as described in “ <i>Our Management-Board of Directors</i> ” on page 252.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
Executive Directors	Executive Directors of our Company, as described in “ <i>Management-Board of Directors</i> ” on page 252.
Group Companies	IndianOil NTPC Green Energy Private Limited, Utility Powertech Limited, NTPC-GE Power Services Private Limited and NTPC Vidyut Vyapar Nigam Limited. For details, see “ <i>Our Group Companies</i> ” on page 540.
Independent Directors	Independent Directors on our Board, as disclosed in “ <i>Our Management-Board of Directors</i> ” on page 252.
IPO Committee	The IPO committee of our Board as described in “ <i>Our Management- Committees of the Board - IPO Committee</i> ” on page 266.
Joint Venture	Joint venture of our Company namely, Indian oil NTPC Green Energy Private Limited
Key Managerial Personnel or KMP	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in “ <i>Our Management- Key Managerial Personnel</i> ” on page 270.
MoP	Ministry of Power, Government of India
Materiality Policy	The policy adopted by our Board on September 9, 2024 for identification of: (a) outstanding material litigation proceedings; (b) material creditors and (c) group companies, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus
Material Subsidiary	NTPC Renewable Energy Limited
Memorandum of Association or MoA	Memorandum of association of our Company, as amended from time to time
MNRE	Ministry of New and Renewable Energy, Government of India
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Our Management- Committees of the Board – Nomination and Remuneration Committee</i> ” on page 262.
Non-Executive Director	Independent directors appointed pursuant to office order dated November 4, 2024, issued by the Ministry of Power, Government of India, as described in “ <i>Our Management-Board of Directors</i> ” on page 252.
Promoter Group	Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group-Promoter Group</i> ” on page 278.
Promoters	Our Promoters, namely, the President of India, acting through the Ministry of Power, Government of India and NTPC Limited
Registered Office	Registered Office of our Company located at NTPC Bhawan, Core-7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110003, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Delhi and Haryana
“Restated Consolidated Financial Information”	Restated consolidated financial information of our Company, our Subsidiaries and Joint Venture, comprising the restated consolidated balance sheet as at September 30, 2024, September 30, 2023, March 31, 2024 and March 31, 2023, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the six months ended September 30, 2024 and September 30, 2023 and for the financial year ended March 31, 2024 and for period from April 7, 2022 to March 31, 2023, the summary statement of material accounting policy information read together with the notes thereto, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in “ <i>Our Management – Senior Management</i> ” on page 270.
Shareholders	The holders of the Equity Shares of our Company from time to time

<b>Term</b>	<b>Description</b>
Special Purpose Carved-Out Combined Financial Statements	The carved out combined financial statements of 15 solar/ wind units (“ <b>RE Assets</b> ”) of NTPC Limited, NTPC Renewable Energy Limited (“ <b>NREL</b> ”) and our Company (the “ <b>NTPC RE Group</b> ”), prepared in accordance with the Guidance Note on Combined and Carved-Out Financial Statements issued by ICAI, which comprise the carved out combined balance sheet as at March 31, 2023 and March 31, 2022 and the related carved out combined statement of profit and loss, carved out combined statement of changes in equity and carved out combined statement of cash flows for the financial years then ended, and material accounting policy information and other explanatory information extracted from the audited standalone financial statements of NTPC, NREL and the audited consolidated financial statements of our Company to the extent considered necessary, for the years ended March 31, 2023 and March 31, 2022.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in “ <i>Our Management- Committees of the Board – Stakeholders’ Relationship Committee</i> ” on page 263.
Subsidiaries or individually known as Subsidiary	Subsidiaries of our Company, namely, NTPC Renewable Energy Limited and Green Valley Renewable Energy Limited

### Issue Related Terms

<b>Term</b>	<b>Description</b>
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	Price at which Equity Shares will be allocated to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs during the Anchor Investor Bid/Issue Period
Anchor Investor Application Form	Application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Bid/Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted prior to and after which the BRLMs will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	Final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price.  The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Pay- in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Issue Price it shall be a date, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount or “ASBA”	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include



<b>Term</b>	<b>Description</b>
	applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Banker(s) to the Issue	Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in “ <i>Issue Procedure</i> ” beginning on page 572.
Bid(s)	Indication to make an offer during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	<p>The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIB and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.</p> <p>However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million (net of Employee Discount). Only in the event of an under- subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million (net of Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million in value (net of Employee Discount).</p> <p>The maximum Bid Amount under the Shareholders Reservation Portion by an Eligible Shareholder shall not exceed ₹ 0.20 million. Eligible Shareholders applying in the Shareholders Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be the Cap Price, multiplied by the number of Equity Shares Bid for by such Eligible Shareholder and mentioned in the Bid cum Application Form.</p>
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of Financial Express, an English national daily newspaper and in all editions of Jansatta, a Hindi national daily newspaper (Hindi also being the regional language where our Registered Office is located), each with wide circulation.</p> <p>Our Company, in consultation with the BRLMs, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate</p>

Term	Description
	Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language where our Registered Office is located), each with wide circulation.
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of one working day.  Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Issue Period for QIB's one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
Bidder/Applicant/Investor	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid Cum Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Managers or "BRLMs"	The book running lead managers to the Issue, namely, IDBI Capital Markets & Securities Limited, HDFC Bank Limited, IIFL Capital Services Limited ( <i>formerly known as IIFL Securities Limited</i> ) and Nuvama Wealth Management Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker.  The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Issue Period.
Cap Price	Higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement dated November 12, 2024, entered amongst our Company, the BRLMs, Syndicate Members, the Bankers to the Issue and Registrar to the Issue for, <i>inter alia</i> , collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
CRISIL	CRISIL Limited
CRISIL Report	Report titled " <i>Strategic assessment of Indian power and renewable energy sector</i> " dated November 2024 exclusively prepared by CRISIL and, commissioned and paid for by our Company specifically in connection with the Issue, pursuant to an engagement letter dated June 4, 2024.
Cut-off Price	Issue Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band.

<b>Term</b>	<b>Description</b>
	Only Retail Individual Bidders Bidding in the Retail Portion, Eligible Employees bidding in the Employee Reservation Portion and Eligible Shareholders bidding in the Shareholders' Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Cut-off Time	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable.
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms  The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of this Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to Bidders using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Issue.  In relation to ASBA Forms submitted by RIBs, Eligible Employees and Non-Institutional Bidders Bidding with an application size of up to ₹ 0.50 million (not using the UPI Mechanism) by authorising SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Stock Exchange	NSE
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated September 18, 2024 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Eligible Employee(s)	All or any of the following:  (i) Permanent employees of our Corporate Promoter, NTPC Limited, or of our Subsidiaries, as may be decided (excluding such employees not eligible to invest in the Issue under applicable laws, rules, regulations and guidelines), as on the date of filing of this Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Corporate Promoter, NTPC Limited, or our Subsidiaries, as applicable, until the submission of the Bid cum Application Form and are based, working and present in India or abroad; and

<b>Term</b>	<b>Description</b>
	<p>(ii) a Director of our Company (excluding such Directors who are not eligible to invest in the Issue under applicable laws), whether whole time Director or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of this Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company.</p> <p>Directors, Key Managerial Personnel, Senior Management Personnel and other employees of our Corporate Promoter and Subsidiaries involved in the Issue Price fixation process cannot participate in this Issue and will not constitute Eligible Employee(s) for the purposes of this Issue</p>
Eligible Shareholders	<p>Individuals and HUFs who are public equity shareholders of our Corporate Promoter, excluding such other persons not eligible to invest in the Issue under applicable laws, rules, regulations and guidelines, as on the date of this Red Herring Prospectus.</p> <p>The maximum Bid Amount under the Shareholders Reservation Portion by an Eligible Shareholder shall not exceed ₹ 0.20 million. Eligible Shareholders applying in the Shareholders Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be the Cap Price, multiplied by the number of Equity Shares Bid for by such Eligible Shareholder and mentioned in the Bid cum Application Form.</p>
Eligible FPI(s)	FPIs that are eligible to participate in this Issue in terms of applicable laws, and from such jurisdictions outside India where it is not unlawful to make an issue / invitation under the Issue and in relation to whom the Bid cum Application Form and this Red Herring Prospectus constitutes an invitation to purchase the Equity Shares.
Eligible NRI(s)	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Employee Discount	A discount of up to [●]% to the Issue Price (equivalent of ₹ [●] per Equity Share) as may be offered by our Company, in consultation with the BRLMs, to Eligible Employees and which shall be announced at least two Working Days prior to the Bid/Issue Opening Date.
Employee Reservation Portion	The portion of the Issue being up to [●] Equity Shares of face value of ₹ 10 each, aggregating to ₹ 2,000.00 million available for allocation to Eligible Employees, on a proportionate basis, constituting up to 5% of the post-Issue paid-up Equity Share capital of our Company.
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' accounts to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account is opened, in this case being, ICICI Bank Limited and Axis Bank Limited
First or sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	Lower end of the Price Band, i.e. ₹ [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
“GID” or “General Information Document”	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
HDFC	HDFC Bank Limited
IDBI Capital	IDBI Capital Markets & Securities Limited
IIFL	IIFL Capital Services Limited ( <i>formerly known as IIFL Securities Limited</i> )

Term	Description
Issue	The initial public offering of up to [●] Equity Shares of face value of ₹ 10 for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 100,000.00 million. The Issue comprises the Net Issue, the Employee Reservation Portion and the Shareholders Reservation Portion.
Issue Agreement	Agreement dated September 18, 2024 entered amongst our Company and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements have been agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price which will be decided by our Company, in consultation with the BRLMs, in terms of this Red Herring Prospectus and the Prospectus.  The Issue Price will be decided by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus.  A discount of up to [●]% on the Issue Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount (if any) will be decided by our Company, in consultation with the Book Running Lead Managers, in accordance with the Book Building Process and this Red Herring Prospectus and shall be announced at least two Working Days prior to the Bid/Issue Opening Date
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 124.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Minimum Promoters’ Contribution	Aggregate of 20% of the fully diluted post-Issue equity share capital of our Company that is eligible to form part of the minimum promoters’ contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Corporate Promoter, NTPC Limited, that shall be locked-in for a period of 3 years from the date of Allotment. For details regarding the Minimum Promoters’ Contribution, see “ <i>Capital Structure-Details of Shareholding of our Promoter and members of the Promoter Group in our Company- Details of minimum Promoters’ contribution and applicable lock in</i> ” on page 118.
Monitoring Agency	CARE Ratings Limited
Monitoring Agency Agreement	Agreement dated November 11, 2024 entered between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹ 10 which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue less the Employee Reservation Portion and the Shareholders’ Reservation Portion.
Net Proceeds	Proceeds of the Issue less the Issue related expenses applicable to the Issue. For details regarding the use of the Net Proceeds and the Issue expenses, see “ <i>Objects of the Issue-Net Proceeds</i> ” on page 124.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Bidders	All Bidders that are not QIBs, Retail Individual Bidders, Eligible Employees Bidding in the Employee Reservation Portion or Eligible Shareholders Bidding in the Shareholders Reservation Portion (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Issue being not more than 15% of the Net Issue consisting of [●] Equity Shares of face value of ₹ 10 which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price, subject to the following and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in (i) and (ii) above may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs
“Non-Resident Indians” or	A non-resident Indian as defined under the FEMA

Term	Description
“NRI(s)”	
Price Band	<p>The price band ranging from the Floor Price of ₹ [●] per Equity Share of face value of ₹ 10 each to the Cap Price of ₹ [●] per Equity Share of face value of ₹ 10 each, including any revisions thereto.</p> <p>A discount of up to [●]% on the Issue Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount (if any) will be decided by our Company, in consultation with the Book Running Lead Managers, in accordance with the Book Building Process and this Red Herring Prospectus.</p> <p>The Price Band, the Employee Discount (if any) and minimum Bid Lot, as decided by our Company, in consultation with the BRLMs, will be advertised in all editions of Financial Express(a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located) at least two Working Days prior to the Bid/Issue Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.</p>
Nuvama	Nuvama Wealth Management Limited
Pricing Date	Date on which our Company, in consultation with the BRLMs, will finalise the Issue Price
Prospectus	Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Issue Account	The ‘no-lien’ and ‘non-interest bearing’ bank account opened with the Public Issue Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Issue Account Bank(s)	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account is opened, in this case being Axis Bank Limited
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Net Issue consisting of [●] Equity Shares of face value of ₹ 10 which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
“Red Herring Prospectus” or “RHP”	This red herring prospectus dated November 12, 2024 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	Banker(s) to the Issue with whom the Refund Account is opened, in this case being ICICI Bank Limited
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, and other applicable circulars issued by SEBI.
Registrar Agreement	Agreement dated September 18, 2024 entered amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
“Registrar to the Issue” or “Registrar”	KFin Technologies Limited.
Resident Indian	A person resident in India, as defined under FEMA.

<b>Term</b>	<b>Description</b>
“Retail Individual Bidder(s)” or “RIB(s)” or “RII(s)” or “Retail Individual Investor(s)”	Individual Bidders (including HUFs applying through their karta and Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the Bidding options in the Issue.
Retail Portion	The portion of the Issue being not more than 10% of the Net Issue consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Form(s) or any previous Revision Form(s), as applicable.  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders, Eligible Employees bidding in the Employee Reservation Portion and Eligible Shareholders bidding in the Shareholders’ Reservation Portion can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/Issue Closing Date.
SCORES	SEBI Complaint Redressal System
Shareholders’ Reservation Portion	Reservation of up to [●] Equity Shares of face value of ₹10 each, available for allocation to Eligible Shareholders, on a proportionate basis. Such portion shall not exceed 10% of the size of the Issue
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA (other than through UPI Mechanism), where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Specified Locations	Bidding Centres where the Syndicate shall accept Bid Cum Application Forms from Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ), and updated from time to time
Sponsor Bank	ICICI Bank Limited and Axis Bank Limited, being the Bankers to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
“Stock Exchanges”	Collectively, BSE and NSE
“Syndicate” or “Members of the Syndicate”	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated November 12, 2024, entered amongst our Company, the BRLMs and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries (other than BRLMs) registered with SEBI who are permitted to carry out activities as an underwriter, namely, HDFC Securities Limited and Nuvama Wealth Management Limited
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.
Underwriters	[●]
Underwriting Agreement	Agreement to be entered amongst our Company and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC

<b>Term</b>	<b>Description</b>
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders Bidding in the Retail Portion, (ii) Eligible Employees Bidding in Employee Reservation Portion; (iii) Eligible Shareholders Bidding in the Shareholders Reservation Portion; and (iv) Non-Institutional Bidders with an application size of up to ₹0.50 million, Bidding in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI Mechanism and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	Collectively, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI master circular with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI RTA Master Circular (to the extent it pertains to UPI) and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference number 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Issue
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Issue Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### Company/Technical/Industry Related Terms/Abbreviations

<b>Term</b>	<b>Description</b>
AAEC	Appreciable adverse effect on competition in the relevant market in India
APPC	Average power purchase cost
Average Capacity Utilisation Factor (Average CUF)	Average CUF is calculated as average of CUF of Installed Capacity in the portfolio as on given date.



Term	Description
BTA	Business Transfer Agreement, dated July 8, 2022, between the Company and NTPC Limited.
Capacity Utilisation Factor (CUF)	Capacity Utilisation Factor (CUF) is the quantum of energy the plant is able to generate compared to its maximum rated capacity.
Cash PAT	Cash profit (PAT + depreciation) for the year/ period
Cash PAT margin	Cash PAT divided by revenue from operation for the year/ period
Cash RoE	Cash PAT divided by average Equity for the financial year/during given period.
Capacity under Pipeline	Capacity in megawatts for which a MOU or term sheet has been entered with joint venture partners or offtakers but where definitive agreements have not yet been entered
C&AG	Comptroller and Auditor General of India
CERC	Central Electricity Regulatory Commission
Competition Act	Competition Act, 2002, of India
CPSE Capital Restructuring Guidelines	Guidelines on Capital Restructuring of Central Public Sector Enterprises, dated May 27, 2016, issued by Department of Investment and Public Asset Management, Ministry of Finance, Government of India and the department of Economic Affairs
CSR	Corporate Social Responsibility
Competition Amendment Act	Competition (Amendment) Act, 2023
DISCOM	Distribution companies
DPE Guidelines	DPE Guidelines on Corporate Governance for Central Public Sector Enterprises
EPC	Engineering, procurement and construction
EBITDA	EBITDA is calculated as earnings before interest, depreciation & amortisation and taxes.
Equity or Total Equity	Total equity attributable to shareholders of the Company as at the end of the financial year/period
FDRE	Firm and dispatchable renewable energy
Interest Coverage	EBITDA/finance costs
LoA	Letter of Award
Megawatts Operating	Aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date
Megawatts Contracted & Awarded	Aggregate megawatt rated capacity of renewable power plants of the reported dated which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where LoAs have been received.
MOU	Memorandum of understanding
NMP	National Monetisation Pipeline
Net Debt	Total borrowing less company's total cash and cash equivalents, bank balances.
Net Debt/Equity	Net Debt divided by Total Equity at the end of the relevant period/ year
O&M	Operation and maintenance
Operating EBITDA	Operating EBITDA is calculated as earnings before interest, taxes, depreciation and amortisation and other income for the financial year or during given period
Operating EBITDA Margin	Operating EBITDA margin during a given financial/period is calculated as a percentage divided by Revenue from Operation.
PPA	Power Purchase Agreement
PSU	Indian public sector enterprise
Profit/(Loss) after tax (PAT)	Profit for the year/ period
PAT Margin	PAT divided by Revenue from operation for the financial year or during given period.
Rated capacity	The expected maximum output that a power plant can produce without exceeding its design limits. We measure the rated capacity of our plants in megawatts in alternate current (AC).
RE Assets	Renewable energy assets of NTPC Limited comprising of 15 solar/ wind energy units transferred pursuant to the BTA
REC	Renewable energy certificates
RTC	Round-the-clock
SECI	Solar Energy Corporation of India
STT	Securities transaction tax

### Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual General Meeting

<b>Term</b>	<b>Description</b>
AIFs	Alternative Investments Funds as defined in and registered with SEBI under the SEBI AIF Regulations
“Bn” or “bn”	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code or CPC	The Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	Competition Act, 2002
CSR	Corporate Social Responsibility
Demat	Dematerialised
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ( <i>earlier known as the Department of Industrial Policy and Promotion</i> )
DP ID	Depository Participant Identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-debt Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First Information Report
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
Gazette	Gazette of India
GDP	Gross Domestic Product
“GoI” or “Government” or “Central Government”	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family

<b>Term</b>	<b>Description</b>
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
India	Republic of India
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 (as amended) and the Companies (Accounts) Rules, 2014, as amended
IPC	Indian Penal Code, 1860
IPR	Intellectual property rights
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
MCA	Ministry of Corporate Affairs
“Mn” or “mn”	Million
Mutual Fund (s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N/A or NA or N.A.	Not applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India
NRI	Individual resident outside India, who is a citizen of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E	Price/earnings
PAN	Permanent account number
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934.
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act.
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

<b>Term</b>	<b>Description</b>
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
State Government	The Government of a State in India
UIDAI	Unique Identification Authority of India
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
U.S. QIBs	“Qualified institutional buyers” (as defined in Rule 144A) and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD/US\$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references in this Red Herring Prospectus to “India” are to the Republic of India and its territories and possession and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references herein to the “US”, the “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

### **Time**

All references to time in this Red Herring Prospectus are to Indian Standard Time (IST).

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus have been derived from the Restated Consolidated Financial Information pertaining to our Company and/or the Special Purpose Carved-Out Combined Financial Statements.

The Restated Consolidated Financial Information of our Company included in this Red Herring Prospectus are as at and for the six months period ended September 30, 2024 and September 30, 2023 and as at the and for the financial years ended March 31, 2024 and as at, and for period from April 7, 2022 to March 31, 2023\*, and have been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

*\* Our Restated Consolidated Financial Information is for the period from April 7, 2022 to March 31, 2023, to which we refer as “Fiscal 2023”*

The Special Purpose Carved-Out Combined Financial Statements included in this Red Herring Prospectus are as at and for the Fiscals ended March 31, 2023 and March 31, 2022 and have been prepared in accordance with IndAS and the Guidance Note on Combined and Carved-Out Financial Statements.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist*”

between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with IndAS contained in this Red Herring Prospectus” on page 86.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 31, 195 and 431, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Consolidated Financial Information and Special Purpose Carved-Out Combined Financial Statements.

### Non- GAAP Measures

Certain non-GAAP financial measures relating to our financial performance have been included in this Red Herring Prospectus as a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company’s operating performance. See “Risk Factors – We have in this Red Herring Prospectus included certain Non-GAAP Measures that may vary from any standard methodology that is applicable across the Indian renewable energy industry and may not be comparable with financial information of similar nomenclature computed and presented by other companies” on page 84.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” or “U.S. Dollar” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Red Herring Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

### Exchange Rates

This Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other currencies:

*(amount in ₹)*

Currency	As at				
	September 30, 2024	September 30, 2023	March 31, 2024*	March 31, 2023	March 31, 2022
1 USD	83.78	83.05	83.37	82.22	75.81

Source: RBI reference rate and [www.fbil.org.in](http://www.fbil.org.in)

\*The previous working day, not being a public holiday, has been considered

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the reported titled “*Strategic assessment of Indian power and renewable energy sector*” dated November 2024, exclusively prepared by CRISIL and, commissioned and paid for by our Company specifically in connection with the Issue, pursuant to an engagement letter dated June 4, 2024. The CRISIL Report is available at <https://ngel.in/page/industry-report>. For risks in relation to commissioned reports, see “*Risk Factors – Certain sections of this Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Issue is subject to inherent risks*” on page 83.

CRISIL is an independent agency which has no relationship with our Company, our Promoters, Promoter Group any of our Directors, Key Managerial Personnel, Senior Management Personnel, our Subsidiaries, or the Book Running Lead Managers.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable. Accordingly, no investment decisions should be made based on such information. The excerpts of the industry report are disclosed in the Issue Documents and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner.

### Disclaimer of CRISIL

*“CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This CRISIL Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this CRISIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliances and consequences of non-compliances for use of the CRISIL Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this CRISIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL MI&A’s prior written approval.”*

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in “*Risk Factors*” beginning on page 31.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” beginning on page 133 includes information relating to our listed peer group companies. Such information has been derived from publicly available sources. Accordingly, no investment decision should be made solely on the basis of such information.

## **Notice to Prospective Investors in the United States**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are “qualified institutional buyers” (as defined in Rule 144A and referred to in this Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) pursuant to Rule 144A or in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in “offshore transactions” as defined in, and in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. For further details, see “*Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions*” on page 545.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “may”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “can”, “could”, “goal”, “should” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. All forward-looking statements whether made by us or any third parties in this Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which we have businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industry.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. A concentrated pool of utilities and power purchasers for electricity generated by our plants and projects. We derived a significant portion (more than 87%) of our revenue from operations from our top five offtakers in Fiscal 2024, with our single largest offtaker contributing around 50% of our revenue from operations in Fiscal 2024. Loss of any of these customers or a deterioration of their financial condition could adversely affect our business, results of operations and financial condition.
2. Our business and profitability being substantially dependent on the availability and cost of solar modules, solar cells, wind turbine generators and other materials, components and equipment for our solar, wind and other projects.
3. Our renewable energy project construction activities being subject to cost overruns or delays which may adversely affect our business, results of operations, financial condition and cash flows.
4. Concentration of our renewable energy projects in Rajasthan. In the six months period ended September 30, 2024 and in Fiscal 2024, 62.20% and 61.74%, respectively, of our operating renewable energy projects are concentrated in Rajasthan. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Rajasthan could have an adverse effect on our business, results of operations and financial condition.
5. Our Power Purchase Agreements exposing us to certain risks that may adversely affect our business, results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 31, 195 and 431, respectively. By their nature, certain market risk disclosures are only estimates, and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Certain information in “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 151, 195 and 431, respectively, of this Red Herring Prospectus have been obtained from the report titled “*Strategic assessment of Indian power and renewable energy sector*” dated November 2024, exclusively prepared by CRISIL and, commissioned and paid for by our Company specifically in connection with the Issue, pursuant to an engagement letter dated June 4, 2024.

Forward-looking statements reflect current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoters, our Directors, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI ICDR Regulations, our Company shall ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Issue.

## ISSUE DOCUMENT SUMMARY

*The following is a general summary of the terms of the Issue and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including “Risk Factors”, “Objects of the Issue”, “Our Business”, “Industry Overview”, “Capital Structure”, “The Issue”, “Restated Consolidated Financial Information”, “Special Purpose Carved-Out Combined Financial Statements”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” beginning on pages 31, 124, 195, 151, 113, 94, 282, 365, 521, 572 and 598, respectively of this Red Herring Prospectus. References to “Fiscal 2023” or the “Fiscal ended March 31, 2023” in relation to the Restated Consolidated Financial of our Company in this section shall be deemed to mean the period from April 7, 2022 i.e. the date of incorporation of our Company to March 31, 2023 as disclosed in the “Restated Consolidated Financial Information” on page 282 of this Red Herring Prospectus.*

### **Primary business of our Company**

We are a wholly owned subsidiary of NTPC Limited, a ‘Maharatna’ central public sector enterprise. We are the largest renewable energy public sector enterprise (excluding hydro) in terms of operating capacity as of September 30, 2024 and power generation in Fiscal 2024. (Source: CRISIL Report, November 2024). We generate revenue by the sale of solar and wind power pursuant to Power Purchase Agreements to Indian government agencies and public utilities. Our renewable energy portfolio encompasses solar and wind power assets with an operational capacity of 3,220 MW of solar projects and 100 MW of wind projects across six (6) states as of September 30, 2024

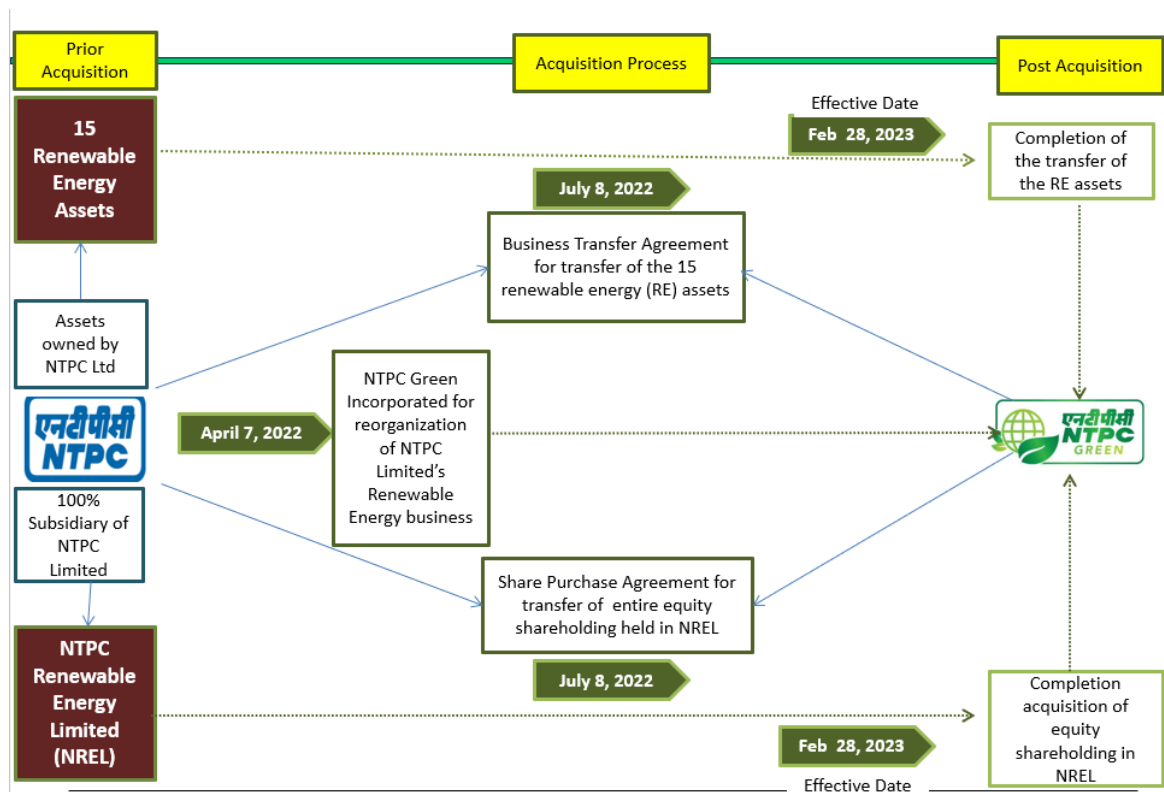
### **Summary of the industry in which our Company operates**

Renewable energy represents a significant and growing industry in India. Globally, India ranks fourth in total renewable energy, wind as well as solar installations. (Source: CRISIL Report, November 2024). Installed capacity of renewable energy sources in India (including large hydro) have increased from approximately 63 GW as of March 2012 to approximately 201 GW as of September 2024. (Source: CRISIL Report, November 2024). As of September 2024, installed grid connected renewable energy generation capacity in India (including large hydro) constituted approximately 45% of the total installed generation base in India, and this growth has been led by solar power.

### **Our Corporate History**

Our Company was incorporated on April 7, 2022 for the reorganisation of NTPC Limited’s renewable energy business. Pursuant to the issuance of National Monetisation Pipeline (“NMP”) by the Ministry of Finance on August 23, 2021, and in consultation with the Ministry of Power, the Renewable Energy (“RE”) assets of NTPC Limited were transferred to our Company at book value, through a business transfer agreement dated July 8, 2022. Further, NTPC Limited also transferred 100% of its equity shareholding held in NTPC Renewable Energy Limited (“NREL”) to our Company through a share purchase agreement dated July 8, 2022. The transfer of the RE assets and 100% equity shareholding in NREL, were completed on February 28, 2023.

Set forth below is a diagram illustrating the transfer of assets and undertakings from our corporate promoter, NTPC Limited, to our company:



For details on the Company's current corporate structure, please see "Our Business-Our Corporate Structure" on page 212.

### Name of Promoters

As on the date of this Red Herring Prospectus, our Promoters are the President of India, acting through the Ministry of Power, Government of India and NTPC Limited. For further details, see "Our Promoters and Promoter Group-Details of our Promoters" on page 274.

### The Issue

Initial public offering of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 100,000.00 million.

The Issue has been authorised by our Board pursuant to the resolution passed at its meeting held on September 9, 2024 and our Shareholders have authorised the Issue pursuant to a special resolution passed at their meeting held on September 10, 2024.

This Issue includes a reservation of up to [●] Equity Shares aggregating up to ₹ 2,000.00 million (constituting up to [●]% of the post- Issue paid-up Equity Share Capital of our Company) for subscription by Eligible Employees (The "**Employee Reservation Portion**") and a reservation of up to [●] Equity Shares of face value of ₹10 each, aggregating up to ₹ 10,000.00 million (constituting up to [●]% of the Issue) for subscription by Eligible Shareholders ("**Shareholders' Reservation Portion**"). Our Company, in consultation with the Book Running Lead Managers, may offer a discount of up to [●] % (equivalent of ₹ [●] per Equity Share) to the Issue Price to Eligible Employees Bidding under the Employee Reservation Portion ("**Employee Discount**").

The Issue less the Employee Reservation Portion and the Shareholders' Reservation Portion is hereinafter referred to as "Net Issue".

The Issue and Net Issue shall constitute [●]% and [●]% of the post Issue paid up Equity Share capital of our Company, respectively. For further details, see "The Issue" and "Issue Structure" on pages 94 and 567, respectively.

## Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Objects	Amount
Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/ prepayment, in full or in part of certain outstanding borrowings availed by NREL	75,000.00
General corporate purposes*	●
Net Proceeds*	●

\* To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

For further details, see “Objects of the Issue” on page 124.

## Aggregate pre-Issue Shareholding of our Promoters and the members of our Promoter Group

The aggregate pre-Issue Equity shareholding of our Promoters and the members of our Promoter Group as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares of face value of ₹ 10 held as on the date of this Red Herring Prospectus	% of paid-up Equity Share capital as on the date of this Red Herring Prospectus
Promoters			
1.	NTPC Limited	7,500,000,000*	100.00
2.	President of India, on behalf of the Ministry of Power, Government of India	Nil	Nil

\*Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

- i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and
- ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

Except as disclosed above, none of our other Promoters and members of the Promoter Group hold any Equity Shares of our Company.

For further details, please see “Capital Structure” on page 113.

## Summary of select financial information derived from the Restated Consolidated Financial Information and Special Purpose Carved-Out Combined Financial Statements

The following information has been derived from our Restated Consolidated Financial Information and Special Purpose Carved-Out Combined Financial Statements:

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at and for the six-month period ended September 30, 2024*	As at and for the six-month period ended September 30, 2023*	As at and for the fiscal ended March 31, 2024	As at for the fiscal ended March 31, 2023	As at and for the fiscal ended March 31, 2023	As at for the fiscal ended March 31, 2022
Equity share capital	75,000.00	47,196.11	57,196.11	47,196.11	47,196.11	-
Net worth <sup>(3)</sup>	81,891.82	50,955.83	62,321.42	48,874.32	48,874.32	19,515.29
Revenue from Operations	10,822.91	10,083.21	19,625.98	1,696.90	14,497.09	9,104.21
Profit after tax	1,753.00	2,081.62	3,447.21	1,712.28	4,564.88	947.42
Earnings per share (basic) <sup>(4)(8)</sup>	0.30	0.44	0.73	4.66	NA	NA
Earnings per	0.30	0.44	0.73	4.66	NA	NA

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at and for the six-month period ended September 30, 2024*	As at and for the six-month period ended September 30, 2023*	As at and for the fiscal ended March 31, 2024	As at for the fiscal ended March 31, 2023	As at and for the fiscal ended March 31, 2023	As at for the fiscal ended March 31, 2022
share (diluted) <sup>(5)(8)</sup>						
Net asset value per Equity Share <sup>(6) (8)</sup>	10.92	10.80	10.90	10.36	10.36	NA
Total borrowings <sup>(7)</sup>	1,70,574.96	97,228.29	1,27,967.40	54,178.41	54,178.41	86,211.83

\* Not annualised

Notes:

- (1) Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023, Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company. See "Restated Consolidated Financial Information" on page 282.
- (2) Based on the Special Purpose Carved-Out Combined Financial Statements from the accounts of NTPC Limited. This financial information is not of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.
- (3) Net worth means sum of equity share capital and other equity excluding non-controlling interest.
- (4) Basic EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding during the fiscal year/period.
- (5) Diluted EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding and equity shares that could have been issued upon conversion of all dilutive potential equity shares during the fiscal year/period.
- (6) Net Asset Value per Share is calculated as Net Worth divided by the number of equity shares outstanding as at the end of the period/financial year.
- (7) Total borrowings include current and non-current borrowings.
- (8) Since the Company was incorporated on April 7, 2022, basic & diluted EPS have been calculated for Restated Consolidated Financial Information only.

For details of reconciliation of Non-GAAP measures, please see "Management's Discussion and Analysis of Financial Condition and Operations" on page 431. For further details, see "Restated Consolidated Financial Information" and "Special Purpose Carved-Out Combined Financial Statements" on pages 282 and 365 respectively.

#### Auditor qualifications

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

#### Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as on the date of this Red Herring Prospectus as disclosed in "Outstanding Litigation and Other Material Developments" in terms of the SEBI ICDR Regulations is provided below:

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate* amount involved (₹ in million)
<b>Company</b>						
By our Company	NIL	NIL	5	NIL	NIL	3,903.20
Against our Company	NIL	NIL	3	NIL	NIL	480.00

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate* amount involved (₹ in million)
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against our Directors	NIL	NIL	NIL	NIL	NIL	NIL
<b>Corporate Promoter</b>						
By our Corporate Promoter	4	88	1	NIL	1	43,849.36
Against our Corporate Promoter	19	4	NIL	NIL	1	56,719.66
<b>Subsidiaries</b>						
By our Subsidiaries	NIL	NIL	6	NIL	NIL	790.00
Against our Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
<b>Group Companies</b>						
Outstanding litigation which may have a material impact on our Company	NIL	NIL	NIL	NIL	NIL	NIL

\* To the extent quantifiable.

As on the date of this Red Herring Prospectus, there is no outstanding litigation involving our Group Companies which may have a material impact on our Company.

For further details, see “*Outstanding Litigation and Other Material Developments*” on page 521.

### **Risk factors**

Investors are advised to carefully read “*Risk Factors*” on page 31, to have an informed view before making an investment decision in the Issue.

### **Summary of contingent liabilities**

The following is a summary of our contingent liabilities as per Ind AS 37 as on September 30, 2024, as indicated in our Restated Consolidated Financial Information:

In two cases, Central Transmission Utility has filed petitions with CERC for determination of transmission charges from the date of commissioning of transmission assets (DOCO) till March 31, 2024 and final order is awaited in both the petitions. We are one of the beneficiaries in these petitions. The amount of contingent liability in this regard is not ascertainable at this stage and in the opinion of our management, the same will not be material.

For further details, please see “*Restated Consolidated Financial Information –Note 51. Contingent liabilities, contingent assets and commitments*” on page 356.

### **Summary of related party transactions**

A summary of the related party transactions entered into by our Company as per Ind AS 24, derived from the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements is detailed below:

(₹ in million)

Particulars	Restated Consolidated Financial Information				Special Purpose Carved Out Combined Financial Statements	
	For the period ended 30 September 2024	For the period ended 30 September 2023	For the financial year ended March 31, 2024	For the financial year March 31, 2023	For the financial year ended 31 March 2023	For the financial year ended 31 March 2022
<b>(i) Transactions with parent company NTPC Limited</b>						
Equity contribution received	17,803.89	-	10,000.00	47,196.11	47,196.11	-
<i>Equity shares issued (No. of Shares in Million)</i>	1,780.39	-	1,000.00	4,719.61	4,719.61	-
Payment of Purchase Consideration for acquisition of RE Assets	-	32,167.00*	32,167.00*	86,001.00**	-	-
Payment of Purchase Consideration for acquisition of NREL Equity	-	-	-	10,944.64	-	-
Payment for acquisition of Pudimadka Land	-	-	10,068.22	-	-	-
Refund for acquisition of Pudimadka Land	33.70	-	-	-	-	-
Sale of goods and services (Rojmal Plant)	233.22	258.80	400.00	-	-	-
Secondment of Employee	499.38	357.27	772.08	-	-	-
Payment for interest	-	-	162.50	493.50	493.50	0.04
Expenditure for office rent etc.	46.95	8.19	86.50	-	-	-
Expenditure for Bilhaur Land	13.28	-	26.60	-	-	-
Expenditure for Rojmal & Jetsar Land	2.32	-	7.50	-	-	-
Changes in owner's net investment	-	-	-	-	-21,037.97	5,377.57
Short Term Loan Received & Repaid	-	-	-	-	-	7.00
<b>(ii) Transactions with Subsidiary companies</b>						
NTPC Renewable Energy Limited	-	-	-	-	-	-
Equity contribution made	19,000.00	-	3,500.00	-	-	-
<i>Equity shares received (No. of Shares in Million)</i>	1,900.00	-	350.00	-	-	-
Expenditure for office rent etc.	20.97	-	38.60	-	-	-
GVREL Equity shares acquired	-	-	0.51	-	-	-
<i>Equity shares received (No. of Shares in Million)</i>	-	-	0.051	-	-	-
Green Valley Renewable Energy Limited						
Equity contribution made	969.00	-	-	-	-	-
<i>Equity shares received (No. of Shares in Million)</i>	96.90	-	-	-	-	-
<b>(iii) Transactions with Joint Venture companies</b>						
Indian Oil NTPC Green Energy Pvt Ltd						



Particulars	Restated Consolidated Financial Information				Special Purpose Carved Out Combined Financial Statements	
	For the period ended 30 September 2024	For the period ended 30 September 2023	For the financial year ended March 31, 2024	For the financial year March 31, 2023	For the financial year ended 31 March 2023	For the financial year ended 31 March 2022
Equity contribution made	180.00	-	0.50	-	-	-
Equity shares received (No. of Shares in Million)	18.00	-	0.05	-	-	-
Project Management, Consultancy and other Services	149.52	-	104.32	-	-	-
<b>(iv) Transactions with Associate companies</b>						
Utility Powertech Ltd.						
Purchase of good or services	0.57	3.29	4.20	-	-	-
Contracts for work/services for services received by the Group	-	-	-	-	14.09	15.69
NTPC-GE Power Services Pvt Ltd.			-			
Contracts for work/services for services received by the Group	811.42	719.04	1,526.79	794.53	794.53	-
Bank Guarantee received	793.67	269.90	269.90	-	-	-
NTPC Vidyut Vyapar Nigam Ltd.						
Brokerage & Commission Charges	2.48	-	1.17	-	-	-
<b>(v) Compensation to key Managerial Personnel</b>						
Short term employee benefits	7.79	2.02	7.34	-	-	-
Post term employee benefits	0.85	0.27	0.70	-	-	-
Other long-term benefits	0.67	0.17	0.47	-	-	-

\*Net amount paid after adjustment of other receivables.

\*\*Pursuant to the aforesaid BTA, the identified RE assets were transferred by NTPC to NGEL at a purchase consideration of ₹ 120,105.50 million which has been settled during the year 2022-23 except for an amount of ₹ 34,104.50 million which has been paid by NGEL on 27 April 2023, as per the terms and conditions of BTA. Further 100% equity shareholding in NREL as per the share purchase agreement, as amended, has been transferred to NGEL for a consideration of ₹ 10,944.64 million

- (1) Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023, Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company. See "Restated Consolidated Financial Information" on page 282.
- (2) Based on Special Purpose Carved-out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This financial information is not of our Company and its consolidated subsidiaries and joint venture under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

For further details, see "Restated Consolidated Financial Information – Disclosure as per Ind AS 24 'Related Party Disclosures'" and "Special Purpose Carved-Out Combined Financial Statements- Disclosure as per Ind AS 24 'Related Party Disclosures'" on pages 340 and 413 respectively.

## Financing arrangements

There have been no financing arrangements whereby our Promoters, directors of our Corporate Promoter, members of the Promoter Group, our Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of this Red Herring Prospectus.

#### Weighted average price at which specified securities were acquired by our Promoters in the one year preceding the date of this Red Herring Prospectus

Name of the Promoter	Number of Equity Shares of face value of ₹ 10 each acquired in last one year	Weighted average cost of acquisition per Equity Share (in ₹)*
<b>Promoter</b>		
NTPC Limited	2,780,388,965	10.00

\*As certified by our Statutory Auditors pursuant to the certificate dated November 12, 2024.

#### Weighted average cost of acquisition of all shares transacted in the 1 year, 18 months and 3 years preceding the date of this Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition <sup>#</sup>	Range of acquisition price: Lowest Price – Highest Price (in ₹)*
Last 1 year	10	[●]	10-10
Last 18 months	10	[●]	10-10
Last 3 years	10	[●]	10-10

\* As certified by our Statutory Auditors pursuant to the certificate dated November 12, 2024.

<sup>#</sup>To be updated upon finalization of the Price Band

#### Details of price at which specified securities were acquired in the three years preceding the date of this Red Herring Prospectus

Except as disclosed below, our Promoters, members of the Promoter Group, and Shareholder(s) with nominee director rights or other rights have not acquired any Equity Shares in the last three years preceding the date of this Red Herring Prospectus:

Name of acquirer	Date of acquisition of equity shares	Number of Equity Shares of face value of ₹ 10 each acquired	Price of acquisition per Equity Share* (in ₹)
<b>Promoters</b>			
NTPC Limited <sup>#</sup>	April 7, 2022	50,000 (including 100 Equity Shares allotted to each of Chandan Kumar Mondol, Mohit Bhargava, Vinay Kumar, Sangeeta Kaushik, Avnish Srivastava, Aditya Dar and Renu Narang, as nominees of NTPC Limited)**	10
	February 28, 2023	4,119,561,035	10
	March 24, 2023	600,000,000	10
	March 28, 2024	1,000,000,000	10
	September 7, 2024	1,780,388,965	10

\*As certified by our Statutory Auditors pursuant to the certificate dated November 12, 2024.

\*\*Equity Shares held by aforementioned nominee shareholders (“**Original Nominee Shareholders**”) pursuant to subscription of MOA have been transferred to other nominee shareholders of NTPC Limited, from time to time. Following are the details of transfers made by Original Nominee Shareholders: (a) 100 Equity Shares each held by Chandan Kumar Mondol and Vinay Kumar, were transferred to Jaikumar Srinivasan and Arun Kumar, respectively, on February 17, 2023; (b) 100 Equity Shares held by Mohit Bhargava were transferred to Ritu Arora on March 20, 2024; (c) 100 Equity Shares each held by Avnish Srivastava and Aditya Dar were transferred to M.A. Ansari and Ajay Dua, respectively, on July 5, 2024. Subsequently, 100 Equity Shares each held by Jaikumar Srinivasan, Ritu Arora, Arun Kumar, Sangeeta Kaushik, M.A. Ansari and Ajay Dua were transferred to NTPC Limited as a joint shareholder along with Virendra Malik, Ritu Arora, Arun Kumar, Rashmi Agarwal, Pooja Shukla and Rachana Singh Bahl, respectively on August 26, 2024.

<sup>#</sup> Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

Except as disclosed in “History and Certain Corporate Matters” and “Description of Equity Shares and Terms of Articles of Association” on pages 243 and 598, respectively, our Company has no Shareholders with the right to nominate directors or with any other such rights as on the date of this Red Herring Prospectus.

### Average cost of acquisition

The average cost of acquisition of Equity Shares by our Promoters as at the date of this Red Herring Prospectus is set forth below:

Name of Promoter	Number of Equity Shares of face value of ₹ 10 each held	Average cost of acquisition per Equity Share (in ₹)^	% of Pre-issue Equity Share capital
NTPC Limited	7,500,000,000	10.00	100.00

^As certified by our Statutory Auditors pursuant to the certificate dated November 12, 2024.

For further details of the cost of acquisition of our Promoters, see “Capital Structure – Details of Shareholding of our Promoter and members of the Promoter Group in our Company” on page 116.

### Details of Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Red Herring Prospectus until the listing of the Equity Shares.

### Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

### Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of Equity Shares in the one year preceding the date of this Red Herring Prospectus.

### Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company, through its letter dated September 18, 2024, had sought an exemption from SEBI under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations from: (i) compliance with regulation 17 (1) of the SEBI Listing Regulations in relation to the appointment of independent directors; (ii) compliance with regulation 24 (1) of the SEBI Listing Regulations which provides that a listed company should have at least one independent director who is on the board of the listed company, to be one of the directors on the board of its unlisted material subsidiary; (iii) compliance with certain corporate governance requirements in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II –Part D of the SEBI Listing Regulations and the Audit Committee as specified under Regulation 18(3) read with point (2) of para (A) under Schedule II -Part C of the SEBI Listing Regulation; and (iv) clause (1) (b), Schedule XVI of the SEBI ICDR Regulations which states that any change in more than half of the board of directors after filing of the DRHP, may require filing a fresh draft offer document with SEBI. SEBI, vide its letter bearing reference number SEBI/CFD/RAC-DIL1/2024/32978 dated October 21, 2024, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see “Risk Factors – Our Company is not in compliance with certain provisions of the SEBI Listing Regulations and the SEBI ICDR Regulations” and “Our Management-Corporate Governance” on pages 56 and 259 respectively.

## SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations, cash flows and financial condition as of the date of this Red Herring Prospectus. To obtain a more detailed understanding of our business and operations, please read this section in conjunction with, “Industry Overview”, “Our Business”, “Key Regulations and Policies in India”, “Restated Consolidated Financial Information”, “Special Purpose Carved-Out Combined Financial Statements”, “Management's Discussion and Analysis of Financial Condition and Result of Operations” and “Outstanding Litigation and Material Developments” on pages 151, 195, 236, 282, 365, 431 and 521, respectively, as well as other financial and statistical information contained in this Red Herring Prospectus.*

*Unless the context otherwise requires, references in this section to “our Company”, “we”, “us”, or “our” are to NTPC Green Energy Limited and Subsidiaries and Joint Venture on a consolidated basis. Unless the context otherwise requires, references to our “Company” refers to NTPC Green Energy Limited on a standalone basis.*

*We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not able to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of us and the terms of the Issue, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the consequences of investing in the Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward- looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see “Forward-Looking Statements” on page 20.*

*Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a “Fiscal” or “fiscal year” are to the 12-month period ended March 31 of the relevant year. Restated consolidated financial information for the six months period ended September 30, 2024 and 2023 and for Fiscal 2024 and Fiscal 2023 included in this Red Herring Prospectus has been derived from the Restated Consolidated Financial Information on page 282. References to “Fiscal 2023” or the “Fiscal ended March 31, 2023” in relation to our Restated Consolidated Financial Statements in this section shall be deemed to mean the period from April 7, 2022, i.e. the date of incorporation of our Company to March 31, 2023 as disclosed in the “Restated Consolidated Summary Financial Information” on page 282 of this Red Herring Prospectus.*

*Our Company, a wholly owned subsidiary of NTPC Limited, was incorporated on 7th April 2022. Pursuant to the business transfer agreement dated July 8, 2022 (“BTA”) with our Company, NTPC transferred its renewable energy assets comprising of 15 renewable energy assets (“RE Assets”) to our Company on February 28, 2023. Further, NTPC Limited also transferred its equity shareholding in NTPC Renewable Energy Limited (“NREL”) to our Company through share purchase agreement on 28th February 2023. For further details, see “History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations, any revaluation of assets, etc.” on page 245. The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer the RE Assets and equity shareholding in NREL from NTPC Limited to our Company.*

*For comparative purposes, we have prepared Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. The special purpose carved-out combined financial information for Fiscal 2023 and Fiscal 2022 included in this Red Herring Prospectus has been derived from the Special Purpose Carved-Out Combined Financial Statements on page 365. We have also included various operational*

information and data in this Red Herring Prospectus. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions.

Unless otherwise indicated, the industry-related information contained in this section is derived from a report titled “Strategic Assessment of the Indian Power and Renewable Energy Sector, dated November 2024, prepared by CRISIL Research, which has been prepared and issued by CRISIL Research, appointed by us exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company in connection with the Issue (the “**CRISIL Report**”). The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. Copy of the CRISIL Report is available on the website of our Company at <https://ngel.in/page/industry-report>.

## Internal Risks

### Risks Relating to our Business

1. **There is a concentrated pool of utilities and power purchasers for electricity generated by our plants and projects. Accordingly, we derived a significant portion (more than 87%) of our revenue from operations from our top five offtakers in Fiscal 2024, with our single largest offtaker contributing around 50% of our revenue from operations in Fiscal 2024. Loss of any of these customers or a deterioration of their financial condition could adversely affect our business, results of operations and financial condition.**

Since the transmission and distribution of electricity are controlled in most Indian jurisdictions by central and state government-utility companies, there is a concentrated pool of power purchasers for utility scale electricity generated by our solar and wind plants and projects. As of September 30, 2024, we had 17 offtakers across 41 solar projects and 11 wind projects. In the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, our offtakers were government agencies and public utilities. We had no private offtakers in these periods.

Our business is concentrated with our top 9 offtakers from which we had revenue in the six months period ended September 30, 2024. The table below sets forth the revenue from operations derived from our top 5 and top 9 offtakers as well as our single largest offtaker for the periods indicated:

Period	Revenue from largest offtaker		Revenue from top 5 offtakers		Revenue from top 9 offtakers <sup>(3)</sup>	
	in ₹ millions	Percentage contribution of largest offtaker to revenue from operations	in ₹ millions	Percentage contribution of top 5 offtakers to revenue from operations	in ₹ millions	Percentage contribution of top 9 offtakers to revenue from operations
<b>Restated Consolidated Financial Information<sup>(1)</sup></b>						
Six months period ended September 30, 2024	5,094.56	47.07%	8,978.64	82.96%	10601.61	97.96%
Fiscal 2024	9,755.34	49.71%	17,230.44	87.79%	19,160.79	97.63%
<b>Special Purpose Carved-Out Combined Financial Statements<sup>(2)</sup></b>						
Fiscal 2023	4,613.11	31.82%	12,430.33	85.74%	14,285.98	98.54%
Fiscal 2022	2,227.83	24.47%	8,192.74	89.99%	8,899.32	97.75%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(3) We only had revenue from 9 offtaker customers as of September 30, 2024.

Top 9 Off takers <sup>*(3)</sup>	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations
Telangana Discoms	5,094.56	47.07%	9,755.34	49.71%	4,613.11	31.82%	184.73	2.03%
Uttar Pradesh Power Corporation Ltd.	876.67	8.10%	1,381.57	7.04%	1,468.63	10.13%	1,399.22	15.37%
Offtaker	1,083.31	10.01%	2,278.48	11.61%	2,331.97	16.09%	2,227.83	24.47%
Offtaker	1,040.52	9.61%	2,049.52	10.44%	2,123.73	14.65%	2,138.58	23.49%
Offtaker	829.58	7.67%	1,765.52	9.00%	1,892.90	13.06%	1,857.95	20.41%
SECI	883.58	8.16%	888.87	4.53%	870.26	6.00%	114.91	1.26%
Offtaker	269.45	2.49%	103.10	0.53%	-	0.00%	-	0.00%
Offtaker	257.71	2.38%	538.70	2.74%	578.82	3.99%	569.16	6.25%
Gujarat Urja Vikas Nigam Ltd.	266.23	2.46%	399.69	2.04%	406.57	2.80%	406.94	4.47%
<b>Total</b>	<b>10,601.61</b>	<b>97.96%</b>	<b>19,160.79</b>	<b>97.63%</b>	<b>14,285.98</b>	<b>98.54%</b>	<b>8,899.32</b>	<b>97.75%</b>

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Issue Documents. Remaining names from our top 9 offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Issue Documents.

(1) Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

(2) Based on Special Purpose Carved-out Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(3) We only had revenue from 9 offtaker customers as of September 30, 2024.

Although we have many new projects under construction, we expect that we will continue to be reliant on our top 9 offtakers for a large portion of our revenue for the remainder of Fiscal 2025. Accordingly, our business, results of operations and financial conditions could be adversely affected if our relationship with these top 9 offtakers is adversely affected. If any of these offtakers become unable or unwilling to fulfil their contractual obligations under the relevant PPA or refuse to accept power delivered under the PPAs or otherwise terminate such agreements prior to the expiration thereof, our assets, liabilities, business, financial condition, results of operations and cash flows could be materially and adversely affected. Although the central and state governments in India have taken steps to improve the liquidity, financial condition and viability of state electricity distribution utility companies, there can be no assurance that the utility companies that are currently our offtakers will have the resources to pay on time or at all. Furthermore, if the financial condition of these offtakers deteriorates or other government policies to which they are currently subject to change, demand for electricity produced by our utility-scale solar and wind projects could be adversely impacted.

See also, “Risk Factors- Our inability to collect receivables in time or at all from our utility offtakers may adversely affect our business, results of operations and financial condition” on page 45.

2. **Our business and profitability is substantially dependent on the availability and cost of solar modules, solar cells, wind turbine generators and other materials, components and equipment for our solar, wind and other projects. We are dependent on third party suppliers for meeting our materials, component and equipment requirements, and our top 10 suppliers accounted for 92.65% and 77.71% of our supplies in the six months period ended September 30, 2024 and in Fiscal 2024, respectively. Any disruption to the timely and adequate supply, or volatility in the prices of required materials, components and equipment may adversely impact our business, results of operations and financial condition.**

Operating equipment for solar energy projects primarily consists of solar panels, inverters, cables, solar mounting structures, trackers, transmission lines and power evacuation systems. Operating equipment for wind energy projects primarily consists of wind turbines and components for power evacuation systems. We purchase major components such as solar panels, inverters, wind turbines and some components of power evacuation systems directly from a number of domestic and international manufacturers.

The table below sets forth details on our largest supplier, our top ten suppliers and our top 20 suppliers for the periods indicated.

Suppliers <sup>(3)</sup>	Type of Equipment, components and materials supplied	Restated Consolidated Financial Information <sup>(1)</sup>			
		Six months period ended September 30, 2024		Fiscal 2024	
		₹ million	% of supplies <sup>(2)</sup>	₹ million	% of supplies <sup>(2)</sup>
Largest Supplier	Solar modules including installation	15,372.18 (Sterling & Wilson Renewable Energy Limited)	36.00%	13,968.46 (Tata Power Renewable Energy Limited)	19.59%
Top 10 Suppliers	Solar Modules, WTG, land procurement, balance of supply, including installation	39,554.79	92.65%	55,407.64	77.71%
To 20 Suppliers	Solar Modules, WTG, land procurement, balance of supply, including installation	40,866.36	95.72%	57,676.86	80.89%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Supplies also include installation, transportation and Operation & Maintenance services as per service agreements.

<sup>(3)</sup> Suppliers include engineering, procurement, and construction ("EPC") contractors.

The table below sets forth cost of materials from our top ten suppliers as of the six months period ended September 30, 2024 for the periods indicated. For purposes of this table suppliers includes EPC contractors. Suppliers <sup>(3)*</sup>	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024	
	₹ million	% of supplies <sup>(2)</sup>	₹ million	% of supplies <sup>(2)</sup>
Supplier 1	15,372.18	36.00%	13,968.46	19.59%
Supplier 2	10,131.16	23.73%	11,472.05	16.09%
Supplier 3	5,219.51	12.23%	8,282.03	11.62%
Supplier 4	3,010.80	7.05%	7,729.84	10.84%
Supplier 5	2,834.84	6.64%	4,866.47	6.83%
Supplier 6	811.42	1.90%	3,065.98	4.30%
Supplier 7	769.31	1.80%	2,177.11	3.05%
Supplier 8	575.76	1.35%	1,526.79	2.14%
Supplier 9	497.62	1.17%	1,244.89	1.75%
Supplier 10	332.20	0.78%	1,074.02	1.51%
<b>Total top 10 suppliers</b>	<b>39,554.79</b>	<b>92.65%</b>	<b>55,407.64</b>	<b>77.71%</b>

\* The disclosure of names has only been made for such suppliers who have provided consent to being named in the Offer Documents. Remaining names from our top 10 suppliers have not been included in this Red Herring Prospectus due to confidentiality reasons and non-receipt of consent from such suppliers to be named in the Offer Documents.

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and Fiscal 2024. See

*“Restated Consolidated Financial Information” on page 282.*

<sup>(2)</sup> *Supplies also include installation, transportation and Operation & Maintenance services as per service agreements.*

<sup>(3)</sup> *Suppliers include EPC contractors.*

Our business and profitability are substantially dependent on the availability and cost of such materials, components and equipment and we are dependent on third party suppliers for meeting these requirements. At present, we do not have any long-term supply contracts with any of our materials, components or equipment suppliers and typically source our requirements based on specific requirements. However, we may enter into long-term agreements for the supply of critical capital expenditure components such as solar modules, wind turbine generators and battery energy storage systems. The market prices of solar modules and wind turbine generators, in particular, have fluctuated in recent years. For further information, see “Industry Overview” on page 151. As we do not have long term supply contracts, we may be exposed to price increases for these critical components which could impact our project margins and may adversely affect our business, results of operations and financial condition.

We engage EPC contractors in both solar and wind projects through a competitive tender process. In solar projects, we have diversified our strategy for setting up power plants from using a turnkey EPC contract model (where the contractor is responsible from concept through commissioning) to a model where we take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We also use the turnkey EPC contract model based on specific project conditions. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the balance of plant. However, we have also started bifurcating the total project scope into balance of plant (including procurement of land) and supply and installation of wind turbine generators.

Although we have not had any past instances of entering new contracts with alternative suppliers, if our EPC services contractors and our suppliers do not perform their obligations, we may need to enter new into contracts with other suppliers at a higher cost or may suffer schedule disruptions. In the past, we have had one non-performing balance of systems contractor that was allowed to withdraw from its contract with us. In addition, our suppliers may have difficulty in fulfilling our orders and result in delays in delivery critical equipment, or charge us higher prices, higher up-front payments and deposits, which would result in higher-than-expected prices or less favourable payment terms to develop our projects. Although we have not had any past instances where completion of our projects was delayed due to non-delivery of ordered materials, components and equipment, any delays in the delivery of ordered materials, components and equipment could delay the completion of our under-construction projects. Any such delays or disruptions could materially and adversely affect our business, results of operations, financial condition and cash flows.

- 3. *Our renewable energy project construction activities may be subject to cost overruns or delays which may adversely affect our business, results of operations, financial condition and cash flows. Further, our future growth is significantly dependent on successfully executing our contracted and awarded projects. In the event, we are not successful in executing our contracted and awarded projects, our business, results of operations and financial condition may be adversely impacted.***

Submitting a competitive bid for a renewable energy project requires extensive research, planning, and due diligence and capacity to operate with low operating margins for sustained period of time. If we miscalculate or misjudge our tariff rates and incorrectly factor the costs of construction, development, land acquisition and price of the components, the economics of successful bids may be affected, and the projects may become economically unviable. For instance, we estimate prices for system components and factor these costs into our bids, and if these prices vary from what we had anticipated, the profitability of our successful bids may be adversely affected. Our suppliers may attempt to renegotiate supply contracts, if there is an increase in component prices, which may also increase our capital expenditure. We may also be required to incur unanticipated capital expenditure for interconnection rights, regulatory approvals, preliminary engineering permits, and legal and other expenses which could adversely affect the profitability of the projects and, as a result, our profitability.

As of September 30, 2024, we had 16,896 MWs Operating, Contracted and Awarded including an Operating capacity of 3,320 MWs and a Contracted & Awarded capacity of 13,576 MWs. We measure the rated capacity of our plants in megawatts in alternate current (AC). Rated capacity is the expected maximum output that a power plant can produce without exceeding its design limits. **“Megawatts Operating”** represents the aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date. **“Megawatts Contracted & Awarded”** represents the aggregate megawatt rated capacity of



renewable power plants as of the reported date which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where letters of award (“LoAs”) have been received.

The following table sets forth our (i) megawatts operating, (ii) megawatts contracted & awarded and (iii) megawatts operating, contracted and awarded, as of the end of the respective financial years/periods presented.

Particulars	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>
	As at September 30, 2024	As at September 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Megawatts Operating</b>					
Solar (MWs)	3,220	2,661	2,825	2,561	1,395
Wind (MWs)	100	50	100	50	50
<b>Total (MWs)</b>	<b>3,320</b>	<b>2,711</b>	<b>2,925</b>	<b>2,611</b>	<b>1,445</b>
<b>Megawatts Contracted &amp; Awarded</b>					
Solar (MWs)	10,576	7,050	9,571	5,750	4,616
Wind (MWs)	3,000	1,550	2,000	500	150
<b>Total (MWs)</b>	<b>13,576</b>	<b>8,600</b>	<b>11,571</b>	<b>6,250</b>	<b>4,766</b>
<b>Megawatts Operating, Contracted &amp; Awarded</b>					
Solar (MWs)	13,796	9,711	12,396	8,311	6,011
Wind (MWs)	3,100	1,600	2,100	550	200
<b>Total (MWs)</b>	<b>16,896</b>	<b>11,311</b>	<b>14,496</b>	<b>8,861</b>	<b>6,211</b>

<sup>(1)</sup> Our Carved-out Operating Data as at March 31, 2022 is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company as at March 31, 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Our future growth is significantly dependent on successfully executing our contracted and awarded projects. In the event, we are not successful in executing our contracted and awarded projects, our business, results of operations and financial condition may be adversely impacted. In the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have not had any instances where an LoA was cancelled without execution of a PPA. Further, in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have not had any instances where the projects which were awarded or contracted did not commence operations in accordance with the applicable PPAs or were discontinued for any reason. For a summary of our PPAs on operational and contracted and awarded projects, see “Our Business - Our Projects – Operational Projects” and “Our Business - Our Projects – Contracted and Awarded Projects” on pages 216 and 217, respectively. Construction of our solar, wind and other renewable energy projects may be adversely affected by circumstances outside of our control, including inclement weather, adverse geological and environmental conditions, failure to receive regulatory approvals on schedule or delay in land acquisition or delay in transmission system readiness or third-party delays in providing supplies and other materials.

In six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have had a few instances of delay in the past in connection with our GUVNL – I & II and Shajapur projects which were primarily due to the COVID-19 pandemic and consequent supply chain disruptions. These delays ranged from 4 to 7 months. These delays did not result in material cost overruns and part of the capacity of these delayed projects were declared operational as of September 30, 2024.

In addition, the construction of hybrid solar and wind projects that are co-located to supply power into the same pooling station is constrained because these projects require locations with good irradiation and experience high wind speeds. For further information, see “Industry Overview – Constraints in Setting up Hybrid Power Plants” on page 176. Although we do not have any such project at present, we may find construction of co-located hybrid projects difficult in the future because of the difficulty in finding appropriate locations.

Moreover, local political changes as well as demonstrations or protests by local communities or special interest groups could result in, or contribute to, project development time and cost overruns for us. Changes in project plans or designs, or defective or late execution may increase our costs from our initial estimates

and cause delays. Increases in the prices of components and equipment may increase procurement costs. There can be no assurance that the prices of components and equipment required for our power projects that are presently contracted and under construction will not change, which may cause the economic returns available from these projects to differ from our initial projections. Any fluctuations in prices of components or raw materials materially and adversely affect our business, results of operations, financial condition and cash flows. If we experience unexpected increases in procurement costs, our forecasted revenues and cash flows could be materially adversely affected.

Further, as on the date of this Red Herring Prospectus, our project portfolio consists of contracted and awarded projects which are currently being commissioned and operationalised. Most of these contracted and awarded projects are housed in our Material Subsidiary, NTPC Renewable Energy Limited. We are in the process of obtaining the relevant authorisations, permissions and approvals such as the development permissions from the relevant state and central authorities, including the Ministry of New and Renewable Energy; energization approvals from the jurisdictional chief electrical inspectorate in accordance with the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 and clearance from the Central Ground Water Authority or the State Ground Water Authority.

Although we have not had any past instances, labour shortages, work stoppages, labour disputes or disruptions in transportation bringing in labour for projects could significantly delay a project, increase our costs or cause us to breach our performance guarantees under our PPAs, particularly because strikes and labour transportation disruptions are not considered a force majeure event under many of our PPAs. Moreover, although we have not had any past instances, local political changes and delays, for instance, caused by state and local elections, as well as demonstrations or protests by local communities and special interest groups could result in, or contribute to, project time and cost overruns for us.

In addition, we utilize and rely on third-party sub-contractors to construct and install portions of our renewable energy projects. If our subcontractors do not satisfy their obligations or do not perform work that meets our quality standards or if there is a shortage of third-party subcontractors or if there are labour strikes that interfere with the ability of our employees or contractors to complete their work on time or within budget, we could experience significant delays or cost overruns. Though, most of our contracts are Firm Price Contracts and we also have the provision to impose liquidated damages for delays, there can be instances that we may not be able to recover such losses in connection with cost overruns or delays.

Any such contingencies that could lead us to fail to generate our expected return from our solar, wind and other renewable energy projects and could materially and adversely affect our business, results of operations, financial condition and cash flows.

4. *In the six months period ended September 30, 2024 and in Fiscal 2024, 62.20% and 61.74%, respectively, of our operating renewable energy projects are concentrated in Rajasthan. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in Rajasthan could have an adverse effect on our business, results of operations and financial condition.*

As on the date of this Red Herring Prospectus, our operating renewable energy projects are concentrated in Rajasthan. The following tables set forth our megawatts operating by state.

Particulars	Megawatts Operating by State							
	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity
<b>Madhya Pradesh</b>								
...solar	350	10.54%	300	10.26%	300	11.49%	300	20.77%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Andhra Pradesh</b>								
...solar	250	7.53%	250	8.55%	250	9.57%	250	17.30%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Rajasthan</b>								
...solar	2,065	62.20%	1,806	61.74%	1,556	59.59%	620	42.89%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Uttar Pradesh</b>								
...solar	265	7.98%	239	8.17%	225	8.62%	225	15.57%

Particulars	Megawatts Operating by State							
	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Gujarat</b>								
...solar	60	1.81%	0	0.00%	0	0.00%	0	0.00%
...wind	100	3.01%	100	3.42%	50	1.91%	50	3.46%
<b>Tamil Nadu</b>								
...solar	230	6.93%	230	7.86%	230	8.81%	0	0.00%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Total MW operating</b>	<b>3,320</b>		<b>2,925</b>		<b>2,611</b>		<b>1,445</b>	

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Due to the geographic concentration of our operations, we are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political, demographic and population changes, adverse regulatory developments civil unrest and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our mining capabilities, significant delays in production and/or otherwise materially adversely affect our business, results of operations and financial condition. The occurrence of any of these events could require us to incur significant capital expenditure or change our business structure or strategy, which could have an adverse effect on our business, results of operations and financial condition. While we have not faced any such disruptions in the past in our operations due to the concentration of our operating projects in Rajasthan, we cannot assure you that there will not be any significant developments in these regions in the future that may adversely affect our business, results of operations and financial condition.

**5. Our Special Purpose Carved-Out Combined Financial Statements and Carved-Out Operating Data for Fiscal 2023 and Fiscal 2022 may not be representative of our results as an independent company.**

Our Company was incorporated on April 7, 2022 for the reorganisation of NTPC Limited’s renewable energy business. Pursuant to the issuance of National Monetisation Pipeline (“NMP”) by the Ministry of Finance on August 23, 2021, and in consultation with the Ministry of Power, the RE Assets of NTPC Limited were transferred to our Company at book value, through a business transfer agreement dated July 8, 2022. Further, NTPC Limited also transferred 100% of its equity shareholding held in NTPC Renewable Energy Limited (“NREL”) to our Company through a share purchase agreement dated July 8, 2022. The transfer of the RE assets and 100% equity shareholding in NREL, were completed on February 28, 2023.

As a result, in Fiscal 2023, we had 31 days of operation from February 28, 2023. Our Restated Consolidated Financial Information for the period from April 7, 2022 to March 31, 2023, to which we refer as “Fiscal 2023”, and for Fiscal 2024 were prepared on an actual basis. For comparative purposes, we have also prepared Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. The Special Purpose Carved-Out Combined Financial Statements are audited by two of the prior statutory auditors of NTPC Limited. Similarly, certain operating data and key performance indicators for Fiscal 2022 and Fiscal 2023 are presented on a carved-out basis. This special purpose carved-out combined financial information and Carved-out Operating Data and key performance indicators are not of our Company and its consolidated subsidiaries and joint venture under the leadership of our current management and board. Further, we have made numerous estimates, assumptions and allocations in our special purpose carved-out combined financial information and Carved-out Operating Data and key performance indicators as NTPC did not account for us, and we did not operate, as a separate entity, for any period prior to April 7, 2022. The use of such assumptions and estimates means that the Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data and key performance indicators for Fiscal 2022 and Fiscal 2023 presented in this Red Herring Prospectus may not to be representative of what our financial condition, results of operations, cash flow or operating performance would have been had we been a separate entity during the periods presented. Furthermore, neither the Restated Consolidated Financial Information nor the Special

Purpose Carved-Out Combined Financial Statements should be used to forecast or accurately predict our future performance with any degree of certainty.

6. *Our Power Purchase Agreements may expose us to certain risks that may adversely affect our business, results of operations and financial condition. In addition, we are required to give performance bank guarantees guaranteeing the commencement of supply of power which could adversely affect our results of operation if invoked. Further, our revenue from operations are exposed to fixed tariffs, changes in tariff regulation and structuring.*

We generate all of our revenue from electricity sold to offtakers under long-term PPAs with a 25 year term. The tables below set out our renewable energy sales for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<i>Renewable Energy Sales</i>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
<b>Total Renewable Energy Sales</b>	<b>18,874.56</b>	<b>96.17%</b>	<b>14,053.11</b>	<b>96.94%</b>	<b>8,848.36</b>	<b>97.19%</b>
<i>Revenue from operations</i> <sup>(3)</sup>	<b>19,625.98</b>		<b>14,497.09</b>		<b>9,104.21</b>	

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<i>Renewable Energy Sales</i>				
Solar	9825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
<b>Total Renewable Energy Sales</b>	<b>10,328.22</b>	<b>95.43%</b>	<b>9,769.26</b>	<b>96.89%</b>
<i>Revenue from operations</i> <sup>(3)</sup>	<b>10,822.91</b>		<b>10,083.21</b>	

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

<sup>(3)</sup> Revenue from operations is set forth in our Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024 and our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022.

Under a long-term PPA, we typically sell power generated from a power plant to central government owned intermediaries or state distribution companies, at pre-determined fixed tariffs. The project may not yet be constructed and/or commissioned for commercial operation. The terms of our PPAs are 25 years from the date of commercial operation or scheduled commissioning dates of the projects, as applicable.

Under some of our PPAs, we are required to furnish and maintain a performance bank guarantee from the date of submission of such guarantee to the date as specified in the PPA for guaranteeing the commencement of supply of power. There have been no instances in the six months period ended September 30, 2024 and in

Fiscal 2024, Fiscal 2023 and Fiscal 2022 where we failed to commence supply of power from the scheduled date of commissioning specified in the PPA. In the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, the average time for commissioning of our projects has been 18 to 24 months. In the event there is a failure in the future to commence supply of power from the scheduled date of commissioning (including extensions thereof) specified in the PPA, such failure may result in liquidation of performance bank guarantees and on complete liquidation, the non-commissioned capacity is likely to be terminated by the offtaker. While there have been no such instances where our performance bank guarantees have been invoked in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we cannot assure you that such instances will not happen in the future. In the event such guarantees are invoked, our business, results of operations financial condition may be adversely affected. Further, in the event we seek an extension of the term of a PPA, we are not likely to be able to renegotiate the terms of the PPA to include a higher tariff rate.

Typically, once we have won a bid, we are awarded a LoA subsequent to which we sign the PPAs. We calculate our megawatts Awarded and Contracted for projects for which we have LoAs or PPAs. In the event there are delays in the execution of PPAs after we are awarded an LoA or the LoA is cancelled without the execution of a PPA, we may not be able to develop the projects on time which may impact our operational capacity as well as result in loss of revenue from operations from sale of power. Further, our MWs Awarded and Contracted as reported would be reduced. Such factors may limit our business flexibility, expose us to an increased risk of unforeseen business and industry changes and could have an adverse effect on our business, results of operations and cash flows.

Our profitability is largely a function of our ability to manage our costs during the terms of the PPAs and operate our power projects at optimal levels. If we are unable to manage our costs effectively or operate our power projects at optimal levels, our business, results of operations, financial condition and cash flows may be adversely affected. Our PPAs typically allow an offtaker to terminate the agreement or demand penalties, fines or charges from us upon the occurrence of certain events, including but not limited to, the failure to maintain its controlling shareholding; complete project construction or connection to the transmission grid by a certain date; supply the minimum amount of power specified; comply with prescribed operation and maintenance requirements; obtain regulatory approvals and licenses; comply with technical parameters set forth in grid codes and regulations; and comply with other material terms of the relevant PPAs.

The table below sets forth penalties paid under our PPAs during the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at September 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Penalties paid (₹ million)	0.25	-	2.51	2.97	-

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

Furthermore, most of our PPAs allow termination on a case-by-case basis in the event force majeure event(s) continue for an extended period of time. In instances of PPA termination where we are entitled to receive termination payments from a counterparty or distribution company due to such counterparty's or distribution company's material breach, there can be no certainty that such counterparty or distribution company will make such payments on time or at all. Further, it is unlikely that termination payments will be adequate to pay all the outstanding third-party debt that we have borrowed for the project.

In some of our PPAs, in the event of an early commissioning of the projects prior to the scheduled commissioning date, the offtaker has the right of first refusal, and may purchase the generated power, only with the consent of the buying utilities at a reduced tariff (in the case of early part-commissioning) as per the

conditions of the PPA. Similarly, any excess generation, over and above the maximum contracted energy defined in the PPA, would be subject to the consent of the buying utility and right of first refusal of the procurer and shall be purchased at a reduced tariff as per the conditions of the PPA. If refused by the procurer, the same can be sold in the open market. Therefore, the prices at which we supply power may have little or no relationship with the costs incurred in generating power, which may lead to fluctuations in our margins.

Certain of our PPAs allow our offtakers to purchase the relevant project from us under certain circumstances. Some of the PPAs also entitle our lenders to appoint another party as the operator of our projects, under certain circumstances, such as the creation of security contravening the terms of the relevant PPAs, bankruptcy, insolvency or winding up proceedings against a power generator, or a change in control event without the lender's consent. If we are unable to acquire the project, the lenders may enforce their mortgage rights under the respective credit agreements, and the project may be acquired by the lenders or the offtakes. If such buyouts or step-ins occur and we are unable to locate and acquire suitable replacement projects on time or at all, our business, results of operations, financial condition and cash flows may be materially and adversely affected.

As counterparties in our PPAs are central or state government entities or government-backed corporations, our ability to negotiate the terms of the PPAs, which are generally standard form contracts, is limited. Our PPAs are generally not subject to revisions. Accordingly, if there is an industry-wide increase in tariffs or if we are seeking an extension of the term of the PPA, we will not be able to renegotiate the terms of the PPA to take advantage of the increased market tariffs. In addition, in the event of increased operational costs, we will not have the ability to reflect a corresponding increase in our tariffs. While our PPAs provide for tariff increase due to "change in law," any such increase in tariff requires regulatory approvals from the CERC or any other regulatory commission which can be time consuming. We also may face difficulties in recovering the costs (whether by tariff increases or litigation) through such corrective measures, from the respective central government owned intermediaries /state distribution companies/authorities in a timely manner and may also face resistance from the regulators when we seek increases in tariffs. Although there have been no such incidents in the past, this may lead to disputes and impact our business, results of operations, financial condition and cash flows.

Further, our PPAs also have restrictions on changes in management and the ownership of our project subsidiary undertaking the relevant project (including changes in the specified minimum equity shareholding of the relevant holding company or selected bidder in such project subsidiary).

All the above factors limit our business flexibility, expose us to an increased risk of unforeseen business and industry changes and could adversely affect our business, results of operations, financial condition and cash flows.

- 7. The acquisition of the purchased renewable energy assets is subject to certain post closing actions, which are currently in the process of being fulfilled. Any failure to fulfil the post-closing actions may reduce the anticipated benefits of the acquisition, may impose limitations or costs on our Company or result in a material adverse effect on the business, results of operations, financial condition and prospects of our Company.***

Our Company entered into a business transfer agreement dated July 8, 2022 ("BTA"), with our Corporate Promoter, NTPC Limited, pursuant to which NTPC Limited, under the approved asset monetization scheme for the monetization of Renewable Energy (RE) assets, transferred the right, title and interest in the RE Assets free and clear of all encumbrances other than the permitted encumbrances (*as defined in the BTA*). The RE Assets under the BTA included *inter-alia* all contracts/documents, plant and equipment and permits held by NTPC Limited in relation to such assets. However, the complete consummation of the acquisition of the RE Assets was subject to certain post-closing actions such as the execution of assignment/novation agreements with third parties in relation to the contracts that have been transferred to us, save for the PPA relating to the Rojmal wind plant, all consents for novation, transfer or sublease of land have been executed except in respect of the Jetsar and Rojmal projects. While we are in the process of completing all requisite post-closing actions, the required transfers or assignments may take longer than expected to obtain, may not be granted and/or the third parties may, as a condition to granting their approval or confirmation, impose limitations or costs. This could reduce the benefits of the RE Assets or result in a material adverse effect on our business, results of operations and financial condition.

- 8. We intend to use a majority of our Net Proceeds from the Issue towards the repayment or prepayment, in***

***full or in part, of certain outstanding borrowings availed by our wholly owned Subsidiary, NTPC Renewable Energy Limited.***

We intend to utilise a portion of our Net Proceeds aggregating to ₹ 75,000.00 million in the form of investment in equity or debt or a combination of both or in any other manner as may be decided by our Board, in accordance with Applicable Law, after considering certain commercial and financial factors, for repayment and/ or prepayment, in full or part, of certain borrowings availed by our wholly owned Subsidiary NTPC Renewable Energy Limited (NREL) from banks and financial institutions.

NREL, has entered into various borrowing arrangements, including borrowings in the form of terms loans and various fund based and non-fund based working capital facilities. The actual mode of such deployment will be finalised at the time of investment. As on September 30, 2024, NREL had outstanding borrowings (fund based) of ₹92,046.86 million on a consolidated basis. NREL is engaged the business of building and operating renewable energy projects and its major source of revenue is renewable energy projects. For further information on NREL and select financial information, see “*History and Certain Corporate Matters*” on page 243.

The details of the borrowings availed by NREL along with purpose for which such borrowing is availed/used, which are currently proposed to be fully or partially repaid or prepaid (earlier or scheduled) from the Net Proceeds are set forth in “*Objects of the Issue- Details of the Objects of the Net Proceeds*” on page 125.

For further information, See “*Object of the Issue*” on page 124.

**9. *We are dependent on our relationship with our Corporate Promoter, NTPC Limited, and any adverse developments in such relationship may adversely affect our business and reputation.***

Currently, our Corporate Promoter, NTPC Limited, owns an aggregate of 100% of our issued, subscribed and paid-up Equity Share capital. Following the completion of the Issue, our Corporate Promoter will continue to hold [●] of our post-Issue Equity Share capital. We are benefiting relationship with our Corporate Promoter.

The “NTPC” trademark, name and logo do not belong to us, which is registered in the name of our Corporate Promoter with the trademark registry. Although we have consent to use their name, we do not have a formal agreement with, or pay, our Corporate Promoter for the use of the “NTPC” trademark, name or logo, and there is no assurance that we will continue to be able to use the “NTPC” trademark, name or logo in connection with our business, which in turn may result in us being unable to capitalize on the brand recognition associated with the NTPC” trademark. For more information, see “- *We do not own the “NTPC” trademark, name or logo, and our logo and name have not been registered as trademarks. Accordingly, our ability to use our name or logo may be impaired. We also rely on a combination of trade secret and contractual restrictions to protect our intellectual property. If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. As part of our operations, we might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.*” on page 73.

Our borrowing facility between Japan Bank for International Cooperation and NREL is supported by a guarantee by our Corporate Promoter. This facility may need to be refinanced if such guarantee was withdrawn for any reason. For more information, “-*One of our borrowing facilities is supported by a guarantee by our Promoter and may need to be refinanced if such guarantee was withdrawn for any reason.*” on page 76.

Except for our Executive Directors, all Key Managerial Personnel, Senior Management Personnel and all of our employees are on secondment from NTPC Limited. There is no secondment agreement between the Company and NTPC Limited. The secondments are pursuant to office orders and the terms of which may be altered at any time.

Our Corporate Office has been taken on lease from our Corporate Promoter vide lease agreement dated April 8, 2024. Over 2,809.26 acres of land at Barethi, Madhya Pradesh has been leased to us by our Corporate Promoter for a period of 29 years commencing from August 31, 2023

Additionally, our Company entered into a business transfer agreement dated July 8, 2022 with our Corporate Promoter for the transfer of fifteen Renewable Energy (RE) assets of the Company. However, since the approval for assignment / novation of the land pertaining to Rojmal project and Jetsar project, included in the above transferred RE assets, haven't yet been consented by the respective lessors, they have been retained in the books of our Corporate Promoter. Our Company, has accordingly entered into a right-of-use (ROU) agreement with our Corporate Promoter for the use of land pertaining to these projects, pending transfer of the lease-hold rights.

We cannot assure you that our relationship with our Corporate Promoter will not deteriorate in the future. Our credit ratings and ability to raise financing are also affected by our Corporate Promoter's creditworthiness, and the loss of its support could adversely affect our business and reputation.

**10. We have incurred substantial indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.**

As at September 30, 2024, we had aggregate outstanding borrowings (including current borrowings and non-current borrowings) of ₹170,574.96 million. Our debt to equity ratio has been increased from 1.11 times as at March 31, 2023 to 2.08 times as at September 30, 2024. The table below sets forth certain information on our total borrowings, debt to equity ratio, finance cost and debt service coverage ratio as at the dates indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at September 30, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total Borrowings <sup>(3)</sup> (₹ million)	170,574.96	97,228.29	127,967.40	54,178.41	86,211.83
Debt to equity ratio <sup>(4)</sup>	2.08	1.91	2.05	1.11	4.42
Finance Costs net off expenditure during construction <sup>(5)</sup> (₹ million)	3,778.15	3,356.89	6,905.73	4,700.64	2,530.49
Debt service coverage ratio <sup>(5)</sup>	1.37	2.64	1.73	0.12	0.59
Net debt <sup>(6)</sup> (₹ million)	156,020.55	92,913.65	123,245.97	53,450.95	86,148.76
Net debt/EBITDA ratio <sup>(7)</sup>	15.89	10.02	6.77	4.06	10.73

(1) Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial Information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

(2) Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

(3) Total Borrowings is calculated as the sum of (i) non-current borrowings and (ii) current borrowings (including the current maturities of non-current borrowings).

(4) Debt-Equity Ratio is calculated as Total Debt divided by total equity excluding NCI

(5) Debt service coverage ratio is calculated as EBITDA divided by total of finance costs and principal and lease payments.

(6) Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year.

(7) Net Debt / EBITDA Ratio is calculated as Net Debt divided by EBITDA.

As at September 30, 2024, we had total secured borrowings (current and non-current borrowings) of ₹25,320.35 million and total unsecured borrowings (current and non-current borrowings) of ₹ 145,254.61 million. These borrowings are secured, *inter alia*, through a charge by way of hypothecation on the present and future moveable assets (excluding current assets) in relation to our projects, and our receipts under the power purchase agreement pertaining to our renewable energy projects, to the extent of amount of interest/principal due for repayment



under the respective loan agreement entered with our lenders. For further details, see “*Financial Indebtedness*” on page 516, “*Restated Consolidated Financial Information – Note 15 – Non-current financial liabilities - Borrowings*” on page 328 and “*Restated Consolidated Financial Information – Note 19 – Current financial liabilities - Borrowings*” on page 330. As most of these secured assets pertain to our renewable energy projects, our rights in respect of transferring or disposing of these assets are restricted. In the event we fail to service our debt obligations, the lenders have the right to enforce the security in respect of our secured borrowings and dispose of our assets to recover the amounts due from us. Any such enforcement of lenders security interests against us would adversely affect our business, results operations and financial condition.

Some of the financing arrangements entered into by us include conditions that require our Company and our Subsidiaries to obtain respective lenders’ consent prior to carrying out certain activities (including certain corporate actions) and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents or intimations to be made to certain lenders include, amongst others-, (i) effecting any change in ownership, control capital structure or shareholding pattern and/or management of our Company, (ii) undertaking any amendment in the constitutional documents, (iii) changing the general nature of business. While we have received all relevant consents required for the purposes of this Issue and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

Any failure on our part to comply with these terms in our financing agreements including the security agreements would generally result in events of default under these financing agreements. In such a case, the lenders under each of these respective loan agreements may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted. While there has been no violation of any restrictive covenants and no event of default has occurred and we have not rescheduled repayment of loans in relation to debt financing availed by our Company and our Subsidiaries since its incorporation, we cannot assure that this will continue to be the case in the future.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities enforcement of security. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. For further details of the terms and conditions of our borrowing arrangements, see “*Financial Indebtedness*” on page 516.

**11. *We face significant competition from both traditional and renewable energy companies and any failure to respond to market changes in the renewable energy industry could adversely affect our business, financial conditions and results of operations.***

We face significant competition in the markets in which we operate. Our primary competitors are Indian and international developers and operators of solar projects, wind projects and other renewable energy sources. Deregulation of the Indian power sector and increased private sector investment have intensified the competition we face. The Electricity Act, 1948 or the Electricity Act, 2003 removed certain licensing requirements for power generation companies, provided for open access to transmission and distribution networks and also facilitated additional capacity through captive power projects. These and other similar future reforms do and will provide opportunities for increased private sector participation in power generation.

Furthermore, our competitors may have greater operational, financial, technical, management or other resources to achieve better economies of scale and lower cost of capital, allowing them to bid in the same auction at more competitive rates. Our competitors may also have a more effective or established localized business presence or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Our competitors may also enter into strategic alliances or form affiliates with other competitors to our detriment. Moreover, suppliers or contractors may merge with our competitors which may limit our choices of suppliers or contractors and hence the flexibility of our overall project execution capabilities. In addition, some of our competitors have developed their own internal solar panel manufacturing capabilities. As the renewable energy industry grows and evolves, we may also face new competitors who

are not currently in the market. In addition, we face competition from developers of other renewable energy facilities, including biomass, and nuclear, as well as other forms of renewable electricity generation like green hydrogen. Competition from such producers may increase if the technology used to generate electricity from these other renewable energy sources becomes more sophisticated, or if the GoI elects to further strengthen its support of such renewable energy sources. Any increase in competition during the bidding process or reduction in our competitive capabilities could materially and adversely affect our market share and the profit that we generate from our projects. Further, we compete with traditional energy companies using fossil fuels to produce power. As of September 2024, installed grid connected renewable energy generation capacity (including large hydro) in India constituted approximately 45% of the total installed generation base with traditional energy generation accounting for the remaining 57%. (Source: CRISIL Report, November 2024). For the weighted average rates of the sale of power, see diagram “*Weighed average rate of sale of power*” in “*Industry Overview – Installed Renewable energy capacity in India*” on page 161. In the event of lower cost of coal, oil, natural gas, diesel fuel and other fossil fuels, these traditional energy companies may reduce demand for renewable energy and adversely impact our business, results of operations and financial condition.

**12. Our inability to collect receivables in time or at all from our utility offtakers which adversely affect our business, results of operations and financial condition.**

We generate electricity income primarily pursuant to PPAs with offtakers which are central and state government-run utilities. The table below sets out our renewable energy sales for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b>Renewable Energy Sales</b>					
Solar	9,825.02	9,514.17	18,403.54	13,651.81	8,447.56
Wind	503.20	255.09	471.02	401.30	400.80
<b>Total Renewable Energy Sales</b>	<b>10,328.22</b>	<b>9,769.26</b>	<b>18,874.56</b>	<b>14,053.11</b>	<b>8,848.36</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

There have been delays in payments by some of our offtakers in the past. Discoms in Telangana delayed payments for four consecutive months; however, these payments have now been collected. We believe that MoP Late Payment Surcharge (LPSC) Rules have significantly reduced this payment risk.

The tables below set forth our trade receivables, trade receivable days, our bad debts or dues written off or impaired, our provisions created for expected credit allowances and our past due but not impaired receivables, as at the periods indicated.

Particulars	Restated Consolidated Financial	Special Purpose Carved-Out Combined Financial
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	Information <sup>(1)</sup>				Statements <sup>(2)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
Trade receivables (₹ million)	4,610.73	42.60%	7,048.14	35.91%	3,254.98	22.45%	1,776.47	19.51%
Bad debts or dues written off or impaired	-	-	-	-	-	-	-	-
Provision for Expected Credit Allowances (closing balance as at end of the period or year) (₹ million)	-	-	-	-	-	-	-	-
Past due but not impaired (outstanding for more than 1 year from due date of payment) (₹ million)	188.17	1.74%	179.08	0.91%	134.52	0.93%	93.58	1.03%

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables (₹ million)	4,610.73	7,048.14	3,254.98	1,776.47
Trade receivable days (days) <sup>(3)</sup>	98.57	96.07	63.34	68.01
Dues from offtakers (₹ million)	4,445.04	6,957.72	3,254.98	1,776.47
Dues from offtakers as a percentage of trade receivables (percentage)	96.41%	98.72%	100%	100%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

<sup>(3)</sup> Trade receivable days are calculated as (Average Trade Receivables/(Revenue from operations))\*nos of days for the year/period. However, Trade receivables include Unbilled Revenue and amount not due.

If the counterparties to our PPAs do not fulfil their obligations our business, results of operations, financial condition and cash flows could be materially and adversely affected. Our counterparties to our PPAs may become subject to financial stress, insolvency or liquidation proceedings during the term of the relevant contracts, and the credit support received from such customers may not be sufficient to cover our losses in the event of a failure to perform. There may also be disputes raised by the counterparties to the amounts invoiced, or delays associated with collection of receivables from government owned or controlled entities on account of the financial condition of these entities that deteriorated significantly in the past. For information on ongoing disputes, see "Outstanding Litigation and Other Material Developments" on page 521.

The Governmental entities to which we sell power generally may not have credit ratings for us to consider, and many of the state governments in India, if rated, would likely rate lower than the GoI. Although the central and state governments in India have taken steps to improve the liquidity, financial condition and viability of state electricity distribution utility companies, there can be no assurance that the utility companies that are currently our customers will have the resources to pay on time or at all.

In addition, our PPA customers may, for any reason, become unable or unwilling to fulfil their related contractual obligations, refuse to accept delivery of power delivered thereunder or otherwise terminate such agreements prior to the expiration thereof. If such events occur, our business, results of operations and financial condition could be materially and adversely affected.

Macroeconomic conditions could also result in financial difficulties, including insolvency, for our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customers, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our business, results of operations and financial condition.

***13. We face risks and uncertainties when developing our renewable energy projects, which may result in delays in commissioning which could materially and adversely impact our business, results of operations, financial condition and cash flows.***

The development and construction of our projects (wind and solar) involve numerous risks and uncertainties and require extensive research, planning and due diligence. Before we determine that a project is economically, technologically or otherwise feasible, we may be required to incur significant capital expenditure for land and interconnection rights, regulatory approvals, preliminary engineering, equipment procurement, legal and other matters. Success in developing a project depends on many factors, including:

- accurately assessing resources availability at levels deemed acceptable for project development and operations;
- fluctuations in foreign exchange and inflation rates impacting equipment and supplier costs;
- fluctuations in the cost and availability of raw materials and purchased components;
- receiving critical components and equipment (that meet our design specifications) on schedule and on acceptable commercial terms;
- securing necessary project approvals, licenses and permits in a timely manner;
- securing appropriate land, with satisfactory land use permits, on reasonable terms;
- availability of adequate grid infrastructure and obtaining rights to interconnect the project to the grid or to transmit energy;
- obtaining financing on competitive terms;
- completing construction on schedule without any unforeseeable delays; and
- entering PPAs or other off take arrangements on acceptable terms.

Generally, our PPAs require that we bring our projects to commercial operation by a certain date. There may be delays or unexpected difficulties in completing our projects because of these or other factors. In the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have not had material instances of delay in receipt of equipment and materials for our projects. We may also have to reduce the size of some of our projects due to occurrence of any of these factors. If we are unable to adhere to project timelines for reasons other than as specifically contemplated in the PPAs, it could result in penalties, including paying liquidated damages of to six months for delay in commissioning of projects or granting the off taker the right to draw on performance bank guarantees provided by us, including in certain cases up to 100% of the bank guarantee, or the termination of the PPAs for delays beyond six months. Further, we may also be subject to penalties in respect of our failure to meet the generation obligations under the PPA. If we experience such problems, our business, results of operations, financial condition and cash flows could be materially and

adversely affected.

**14. *Our in-house procurement operations for solar projects expose us to certain risks. We may incur unexpected expenses if the suppliers of components in our power projects default on their warranty obligations.***

In solar projects, we usually take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We also use the turnkey EPC contract model based on specific project conditions. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the balance of plant. Entering third-party EPC contracts on the basis of fixed price contracts insulate us from adverse price fluctuations for the equipment and materials we use for constructing solar and wind projects. However, we are exposed to construction cost risks that could be caused by various factors, including:

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

Additionally, we are responsible for all equipment and construction defects. Although we generally obtain warranties from our equipment suppliers and take third-party insurance in the event that solar module manufacturers do not honour their warranties, we cannot assure that we will be successful with any warranty claims against our suppliers or claims against such insurers. If our procurement operations are insufficient, we may experience significant delays or disruption of our operations. The construction projects are capital intensive, requires significant time and are subject to delays or cost overruns, which could require us to expend additional capital and adversely affect our business and operating results. Such potential events include shortages and late delivery of building materials and facility equipment, installation, commissioning and qualification of equipment, labour disputes, delays or failure in securing the necessary governmental approvals, building sites or land use rights, and other changes to plans necessitated by changes in market conditions. Such delays could adversely affect our business, results of operations, financial condition and cash flows.

**15. *Our Company accounts are subject to a supplementary audit by the office of the Comptroller and Auditor General of India, and any qualifications in their report on our financial statements could adversely affect the trading price our Equity Shares.***

Our accounts are subject to a supplementary audit by the office of the Comptroller and Auditor General of India (“C&AG”) as required under the Companies Act. For Fiscal 2024, the C&AG observed that a capital grant received from SECI under the MNRE scheme was for setting up of Solar PV Power Projects to meet out the capital expenditure (acquisition of long-term assets); however, this capital grant should have been classified as investing activity whereas we classified this grant under financing activities in our Fiscal 2024 Cash Flow Statement. For Fiscal 2023, the C&AG observed that we deposited ₹116.06 million with NTPC Limited for the transfer of land for our Rojmal and Jetsar solar projects, which should be classified under "Capital Advances" as per Ind AS Schedule III. Instead, C&AG observed that it was misclassified under "Current Financial Assets" as claims recoverable. This misclassification led to the understatement of "Other Non-Current Assets" and the overstatement of "Current Financial Assets." Additionally, there was no disclosure about the land transfer status or area, which is required since the land will be transferred for lease.

There is no assurance that the C&AG audit for any future fiscal periods will not contain such comments or any other qualifications for such future fiscal periods. Investors should consider these remarks in evaluating our results of operations and financial condition. Any such qualifications in the C&AG’s report on our financial statements in the future could adversely affect the trading price of our Equity Shares.

**16. *There is a time gap between making significant upfront investments in our solar, wind and other renewable energy projects and receiving revenue which could have an adverse effect on our business, results of operations and financial condition.***

There are generally many months or even years between our initial bid in renewable energy auctions to build solar, wind or other renewable energy projects and the date on which we begin to recognize revenue from the sale of electricity generated by such projects. Our initial investments include, legal, accounting and other third-party fees, costs associated with project analysis and feasibility study, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering and procurement of solar panels, balance of system costs or other payments, which may be non-refundable. Our projects may not be fully monetized for 25 years given the average length of our PPAs, but we bear the costs of our initial investment upfront. Furthermore, we have historically relied on our own equity contribution and bank loans to pay for costs and expenses incurred during project development. Solar, wind and other renewable energy projects generate revenue only after becoming commercially operational and starting to sell electricity to the power grid through offtakers. There may be long delays from winning a bid and entering into a PPA, to obtaining the initial land and interconnection assessments, to the projects becoming commercially operational, due to the timing of auctions, financing and construction cycles, receipt of approvals and grid connectivity processes. There is no assurance that our success in auctions will necessarily lead to execution of corresponding PPAs promptly, or at all.

Between our initial investment in the development of solar wind and other renewable energy projects and their connection to the transmission grid, there may be adverse developments, such as unfavourable environmental or geological conditions, pandemics, labour strikes, panel shortages or monsoon weather. Furthermore, we may not be able to obtain all the permits as anticipated and permits that were obtained may expire or become ineffective, any of which may delay construction or commercial operation. In addition, we may not be able to obtain project level financing as anticipated, which may delay or halt construction of a particular project. Any such delays could materially and adversely affect our business, results of operations, financial condition and cash flows.

**17. *We operate in a competitive industry and as such may not be able to acquire rights to develop and generate power from new solar projects through the competitive bidding process.***

As of September 30, 2024, our “Portfolio” consisted of 16,896 MWs including 3,320 MWs of operating projects and 13,576 MWs of contracted and awarded projects. Our strategy is to continue to grow our project pipeline in part through prudent bidding for new projects that come up for tender. We acquire the rights to develop and generate power from new projects through a competitive bidding process, in which we compete for project awards based primarily on pricing, technical and engineering expertise, financial conditions, including specified minimum net worth criteria, financing capabilities and track record. We only submit bids for those renewable energy auctions where we are comfortable with the policies, incentives, credit history of the off-taker, and evacuation infrastructure availability, transmission systems, water, roads and communications networks and other ancillary infrastructure, competitive intensity, capacity on offer and restrictions on maximum/minimum bid quantity. However, it is difficult to predict whether and when we will be awarded a new renewable power project.

The table below sets forth information about our bids/tenders in solar and wind power projects by Central and State governments and agencies for the periods indicated.

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023 <sup>(2)</sup>	Fiscal 2022 <sup>(2)</sup>
Capacity of bids auctioned (in MW) <sup>(1)</sup>	N/A	49,000	12,000	18,000
Capacity of bids participated in (in MW)	6,350	21,325	5,250	10,735
Quoted Capacity (in MW)	1,770	8,900	2,255	6,090
Capacity for which our bids/tenders won (in MW)	400	3,455	1,190	3,265
<b>Percentage of bids won against capacity of total bids quoted (Bid Success Ratio)</b>	<b>22.60%</b>	<b>38.82%</b>	<b>52.77%</b>	<b>53.61%</b>

<sup>(1)</sup> Solar and wind projects auctioned by central and state governments in the period. (Source: CRISIL Report, November 2024)

<sup>(2)</sup> Our Company was incorporated on April 7, 2022, and, in Fiscal 2023, we had only 31 days of operation from February 28, 2023 after assets were transferred from NTPC Limited to our Company. Bids/tenders made in Fiscal 2023 and Fiscal 2022 were made by the NTPC Group.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

The bidding processes are also affected by factors which may be beyond our control, such as market conditions or government incentive programs. If we misjudge our competitiveness when submitting our bids or if we fail to lower our costs to submit competitive bids, we may not acquire the rights on new renewable energy projects. Also, our competitors may also have a competitive advantage or a greater willingness or ability to win the bids with little or no operating margins for sustained periods of time which may affect our project pipeline for growth. Furthermore, we make assumptions with respect to prices for system components and raw materials, and if prices for system components and raw materials are greater than our assumed prices, our project economics may be adversely affected and the project for which we won through bidding may not remain economically viable.

**18. Our Corporate Promoter, NTPC Limited has, in the five years preceding the date of this Red Herring Prospectus, faced regulatory actions by regulators and had certain fines levied on it. Any further non-compliance by our Corporate Promoter of the SEBI Listing Regulations or any other regulations applicable to it in the future, may adversely affect our business, results of operations and prospects.**

Our Corporate Promoter, NTPC Limited (“NTPC”), a listed company, is subject to regulatory oversight from SEBI and the Stock Exchanges and is consequently required to comply with various applicable rules and regulations in terms of its listed equity shares, including the SEBI Listing Regulations, which requires it to inter alia adhere to certain corporate governance norms on board composition, disclose its quarterly financial results, subject to a limited review, within a stipulated period from the end of the quarter, etc.

Due to certain instances of non-compliance, our Corporate Promoter has, in the five years preceding the date of this Red Herring Prospectus, faced regulatory actions by regulators and had certain fines levied on it, the details of which are set out below:

1. Since Q1 2020, NTPC has received notices from NSE & BSE imposing fine amounting to ₹10.32 million (including GST) each respectively, in respect of non-compliance of Regulations 17, 18, 19, 20 and 21 of SEBI Listing Regulations due to non-availability of adequate numbers of independent directors on the Board of the Company. As directors of NTPC are appointed by the Government of India, NTPC has requested stock exchanges to waive the fine. BSE had waived the fine of ₹ 0.54 million of Q1 2020 imposed due to non-compliance of Regulation 17 of SEBI Listing Regulations. In addition to above, NSE & BSE had imposed

fine of ₹11,800/- each respectively in respect of non-compliance of Regulation 29 of SEBI Listing Regulations. Fine of ₹11,800/- was paid to NSE, however, request for waiver is pending with BSE.

2. NSE had imposed fine of ₹70,000/- under Para. 8.4 of Chapter XVII of SEBI operational circular for delay in certificate of confirming fulfilment of payment obligation. However, penalty was waived vide NSE's letter dated June 19, 2023.

3. In addition to above, demat account of NTPC Limited was frozen by stock exchanges, in September 2022 due to noncompliance of provisions of SEBI Listing Regulations by PTC (India) Limited.

While the stock exchanges have not taken any further action against NTPC regarding the matters mentioned above—beyond the imposition of a fine and temporary suspension of trading accounts—there is no assurance that NTPC will not face stricter and more stringent penal action in the future for any non-compliance with, or failure to adhere to, the relevant rules and regulations.

Imposition of strict penal proceedings against our Corporate Promoter may have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

***19. The regulatory and policy environment affecting the renewable energy sector in India impacts our business, results of operations and financial condition and may become more stringent in the future.***

The regulatory and policy environment in which we operate is evolving and subject to periodic change, and our business, results of operations, financial condition and cash flows could be adversely affected by any unfavourable changes in or interpretations of existing laws, or implementation of new laws. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our business currently or in the future.

Our business, results of operation and financial performance could be adversely affected by any change in laws or interpretation of existing, or the promulgation of, laws, rules and regulations applicable to us. There can be no assurance that the GoI will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations, which could result in increased compliance costs as well as divert significant management time and other resources.

Changes to government policies curtailing renewable energy generation may adversely affect our business. If governmental authorities stop supporting, or reduce or eliminate their support for, the development of renewable energy projects, it may become more difficult to obtain financing, our economic return on certain projects may be reduced and its financing costs may increase. A delay or failure by governmental authorities to administer incentive programs in a timely and efficient manner could also adversely affect our ability to obtain financing for its projects. These may, in turn, materially and adversely affect business, results of operations, financial condition and cash flows.

***20. We do not own our Registered and Corporate Office. A failure to renew our existing lease arrangements at commercially favourable terms or at all may have a material adverse effect on our business, financial condition and results of operations.***

We do not own our registered office is located at NTPC Bhawan , Core -7, SCOPE Complex 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India or our corporate office is located at NTPC Renewables Complex E-3, Ecotech-II, Udyog Vihar, Gautam Buddha Nagar, Uttar Pradesh, 201306 India. Our corporate office is on lease for a term of two years until March 31, 2025. We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. While we have not failed to renew our lease arrangements in the past, in the event that we are unable to in the future, we may be required to vacate our current premises and make alternative arrangements for new offices. We cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our offices, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations or financial condition. Furthermore, the deeds for our existing and future leased properties may not be adequately stamped or such stamp duty may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty.



**21. Certain unsecured loans have been availed by us which may be recalled by lenders.**

As of September 30, 2024, we had availed unsecured loans aggregating to ₹145,254.61 million, from banks and financial institutions.

We availed unsecured loans and borrowings from time to time from banks and financial institutions. The following table sets forth our unsecured debt position as at September 30, 2024 and March 31, 2023, as per the Restated Consolidated Financial Information, and as at March 31, 2023 and 2022, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Non-Current Unsecured Borrowings (₹ in millions)	139,047.71	105,567.07	50,931.90	71,582.89
Non-Current Unsecured Borrowings as percentage of total borrowings (%)	81.52%	82.50%	94.01%	83.03%
Current Unsecured Borrowings (₹ in millions)	6,206.90	6,206.90	1,743.10	360.14
Current Unsecured Borrowings as percentage of total borrowings (%)	3.64%	4.85%	3.22%	0.42%

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months period ended September 30, 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to acceleration of payments under such credit facilities. In the event that the lenders seek repayment of such unsecured loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further information, see "Financial Indebtedness" on page 516, "Restated Consolidated Financial Information – Note 15 – Non-current financial liabilities -Borrowings" on page 328 and "Restated Consolidated Financial Information – Note 19 – Current financial liabilities - Borrowings" on page 404.

**22. Due to our substantial indebtedness, volatility in interest rates could adversely affect our business, results of operations, financial condition and cash flows.**

As of September 30, 2024, ₹170,574.96 million (100%) of our borrowings had floating rates of interest. Accordingly, volatility in interest rates affects the cost of these borrowings. An increase or decrease in interest rates will increase or decrease our interest expense associated with such borrowing.

In periods of volatile interest rates, we seek to finance our projects on a long-term basis with debt matched to cash flows. Such debt could have significant consequences on our operations, including:

- reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes as a result of our debt service obligations;
- limiting our ability to obtain additional financing;
- limiting our flexibility in planning for, or reacting to, changes in our business, the industry in which we operate and the general economy;

- potentially affecting our credit rating;
- potentially increasing the cost of any additional financing; and
- limiting the ability of our project operating subsidiaries to pay dividends to us for working capital or return on our investment.

Any of these factors and other consequences that may result from our substantial indebtedness could adversely affect our business, results of operations, financial condition and cash flows impacting our ability to meet our payment obligations under our debt. Our ability to meet our payment obligations under our outstanding debt depends on our ability to generate adequate cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control.

We are affected by volatility in interest rates in our borrowings. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI and other central banks, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. Furthermore, the rise in inflation and consequent fluctuation in interest rates, repo rates (the rates at which the RBI lends to commercial banks) may also be important factors affecting interest rates. A significant increase in interest expense could adversely affect our business, results of operations, financial condition and cash flows impacting our ability to meet our payment obligations under our debt.

**23. All our employees are on secondment from our parent company, NTPC Limited, the terms of which may be altered at any time. We may be subject to industrial unrest and increased employee costs, which may adversely affect our business and results of operations.**

As of September 30, 2024, our workforce comprised 232 employees, and we utilised the services of 45 contract labourers. Except for our Executive Directors, all Key Managerial Personnel, Senior Management and all our employees are on secondment from our parent company, NTPC Limited.; There is no secondment agreement between the Company and NTPC Limited. The secondments are pursuant to office orders and the terms of which may be altered at any time.

Pay allowances, perquisites and other benefits of the employees are governed by the terms and conditions as per the policy of NTPC Limited. Our employee benefits expense comprise payments made to all the personnel on our payroll and engaged in our operations (apart from contract labour). However, the remuneration to seconded employees is paid by our Company. The following tables set forth our employee benefit expenses in the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ million	As a % of expenses	₹ million	As a % of expenses	₹ million	As a % of expenses
Employee benefit expenses net off expenditure during construction	370.14	2.39%	129.10	1.21%	76.80	1.18%

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	₹ million	As a % of expenses	₹ million	As a % of expenses
Employee benefit expenses net off expenditure during construction	306.60	3.46%	159.16	2.15%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> *Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.*

Our operations are significantly dependent on the cooperation and continued support of our workforce. As of the date of this RHP, we do not have any employee unions. Strikes or work stoppages by our workforce at our projects could halt our production which could impact our ability to deliver electricity to our offtaker customer in a timely manner or at all, which could adversely affect the results of our operations and reputation. There have been no disruptions to our operations in the six months period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 or Fiscal 2022, on account of labour-related disputes including strikes, lockouts, or collective bargaining arrangements. However, there can be no assurance that we will not experience work disruptions in the future due to disputes or other problems with our workforce. Any such event, at our current facilities or at any new facilities that we may commission in the future, may adversely affect our ability to operate our business and serve our customers, and impair our relationships with certain key customers, which may adversely impact our business, results of operations and financial condition.

**24. *Our business is seasonal and our operating results may fluctuate from period to period, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.***

Our quarterly and half-yearly operating results are difficult to predict and may fluctuate significantly in the future. The energy output performance of our solar projects is dependent in part on the amount of sunlight and the ambient temperatures. As a result, our revenue in the past has been impacted by rain and sunlight. Our solar energy output decreases in monsoon seasons due to less sunlight whereas it increases during winter and summer months.

The energy output performance of our wind projects is dependent on wind patterns and wind speeds. As a result, our revenue in the past has been impacted by wind speeds. Our wind energy output decreases during the “Low Wind Season”, which generally spans October to March, and increases during the “High Wind Season”, which generally spans April to September in any given year.

We believe that the higher levels of revenue generated during the winter and summer months and High Wind Season can help to mitigate the lower levels of revenue generated during the monsoon seasons and Low Wind Season. Typically, our revenue is the lowest from June to September and highest from January to March of any given fiscal year.

We have experienced seasonal and quarterly fluctuations in the past, and we may experience similar fluctuations in the future. However, given that the renewable energy industry is growing rapidly, those fluctuations may be masked by our recent growth rates and thus may not be readily apparent from our historical operating results. As such, our quarterly operating results may not be good indicators of future performance.

In addition to the other risks described in this “*Risk Factors*” section, the following factors could cause our operating results to fluctuate:

- the expiration or initiation of any central or state subsidies or incentives;
- our ability to complete installations in a timely manner due to market conditions or due to unavailable financing;
- our ability to continue to expand our operations, and the amount and timing of expenditures related to such expansions;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital-raising activities or commitments;

- changes in our pricing policies or terms or those of our competitors;
- actual or anticipated developments in our competitors' businesses or the competitive landscape;
- an occurrence of low global horizontal irradiation that affects our generation of solar power;  
an occurrence of low wind speeds for extended periods of time affecting the wind generation
- fluctuations due to the pandemics and resulting operational disruptions;
- change in law or adoption of new accounting pronouncements;
- significant volatility in market conditions (including, but not limited to foreign currency rates, interest rates and our share price); and
- fluctuations in the electricity pricing

For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance. In addition, with respect to the above factors our actual revenue, key operating and financial metrics and other operating results in future quarters may fall short of the expectations of investors and financial analysts, which could have a material adverse effect on the trading price of our shares.

**25. Any downgrade of our credit ratings or NTPC Limited's credit ratings could adversely affect our business.**

As of the date of this Red Herring Prospectus, we have received the following credit ratings on our debt and credit facilities.

<b>Instrument or Rating Type</b>	<b>₹ million</b>	<b>Date</b>	<b>Ratings</b>
Total Bank Loan Facilities Rated	100,000.00	May 6, 2024	CRISIL AAA/Stable (Long Term) CRISIL A1+ (Short Term)
Total Bank Loan Facilities Rated	200,000.00	May 31, 2024	IND AAA/Stable (Long Term) IND A1+ (Short Term)

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Further, there can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

Further, the credit rating of our Corporate Promoter, NTPC Limited, is often a benchmark used to assess our overall credit when borrowing or issuing debt securities. Any downgrade in the credit ratings of NTPC Limited may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

**26. The generation of electricity from solar and wind sources (including our capacity utilization factor) depends heavily on suitable meteorological and climate conditions. Unfavourable weather conditions could have a significant impact on our business prospects and future financial performance. Further, the physical conditions surrounding the wind turbine generators and solar farms may interfere with the operational performance of these assets.**

The electricity produced and revenues generated by our renewable energy projects are highly dependent on weather conditions and air pollution, which are beyond our control. Furthermore, components of our systems, such as solar panels and inverters, could be damaged by severe weather. We generally will be obligated to bear the expense of repairing the damaged solar energy systems that we own, subject to insurance policies in effect, and replacement and spare parts for key components may be difficult or costly to acquire or may be unavailable. Unfavourable weather, high levels of air pollution and atmospheric conditions could impair the effectiveness of our assets or reduce their output beneath their rated capacity or require shutdown of key equipment, impeding

operation of our assets and our ability to achieve certain performance guarantees pursuant to our PPAs, forecasted revenues and cash flows. Sustained unfavourable weather could also unexpectedly delay the installation of renewable energy systems, which could result in a delay in us acquiring new projects or increase the cost of such projects. Most of our PPAs obligate a minimum generation and could suffer monetary consequences if our plants do not produce to our contracted levels.

We regularly measure the performance of our plants by using the industry measure, generation/capacity utilization factor (“CUF”). The CUF is lower in solar power plants as compared to thermal power plants given the nature of operations (availability when the sun is shining, or wind is turning turbines). Our CUF has generally been on par with our peer group competitors although slightly lower. For a comparison of our CUF and generation to our peers, see “*Industry Overview - Landscape of leading project developers*” on page 189. The following table sets forth our CUF for our operating renewable energy plants for the periods indicated.

Particulars	Company Operating Data			Carved-out Operating Data <sup>(1)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capacity utilization factor <sup>(2)</sup> (%)					
Solar	24.61%	25.04%	23.97%	22.74%	19.21%
Wind <sup>(3)</sup>	28.27%	30.14%	19.78%	23.58%	23.66%
<b>Total</b>	<b>24.73%</b>	<b>25.13%</b>	<b>23.86%</b>	<b>22.76%</b>	<b>19.40%</b>

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “*Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company*” on page 38.

<sup>(2)</sup> Capacity utilization refers to the weighted average of CUF of installed capacity in the portfolio as on given date.

<sup>(3)</sup> Wind CUF is lower in Fiscal 2024 mainly due to the commissioning of the new Dayapar wind project during the low wind season.

We base our investment decisions with respect to each solar or wind project on the findings of related solar and wind studies based on some site data and historical data of the locations prior to construction. However, actual climatic conditions at a project site may not conform to the findings of these studies and therefore, our facilities may not meet anticipated production levels or the rated capacity of our generation assets, which could adversely affect our business, results of operations, financial condition and cash flows.

The operational performance of our wind farms depends on wind speeds which can be impacted by the physical conditions at the relevant site. Objects such as large buildings or other wind turbine generators near our wind farms, may reduce our wind resources due to the disruption of wind flows, known as “wake effects”. Typically, the land under a wind turbine generator tower is acquired or leased in connection with the development of a wind farm by a power producer. Currently, there are regulatory requirements with respect to the positioning of the turbines to minimize such wake-effects and maximize output. However, in case such regulatory requirements are lifted or relaxed, new wind turbine generators from our competitors or certain other structures may be installed by third parties near our wind farms, which could have a negative effect on our wind farms. While we make provisions for such external wake effects in our energy forecasts for our wind farms, our estimated provisions may be lower than the actual wake effect, and we may be unable to achieve certain performance thresholds pursuant to our PPAs, forecasted revenues and cash flows.

Similarly, external physical conditions near our solar farms such as shadows cast by nearby buildings or trees, or additional dust resulting from nearby construction work or forestry or plantations works, could cause a reduction in the efficiency of our solar farms, and we may be unable to achieve certain performance thresholds pursuant to our PPAs, forecasted revenues and cash flows.

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

## 27. Our Company is not in compliance with certain provisions of the SEBI Listing Regulations and the SEBI

### **ICDR Regulations.**

For the purposes of undertaking the present Issue and post the listing of the equity shares, our Company is required to comply with Regulation 17 (1) of the SEBI Listing Regulations which provides that a listed company should have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors. One of our Promoters, NTPC Limited, *vide* their request letter dated June 3, 2024 and July 4, 2024, had intimated the GoI, requesting for the appointment of chairman and managing director, functional directors and independent directors on the Board of our Company. The Ministry of Power, Government of India, *vide* their letter dated August 28, 2024, approved the composition the Board of the Company, comprising of Gurdeep Singh, Jaikumar Srinivasan and Shanmugha Sundaram Kothandapani, who hold additional charge of the posts of Chairman and Managing Director, Director (Finance) and Director (Projects), respectively, as the Executive Directors. Additionally, our Company received the office order from the Ministry of Power, Government of India, dated November 4, 2024, confirming the appointment of Dr. Viveka Nand Paswan, Bimal Chand Oswal and Sajal Jha as the non-official independent directors on the board of our Company and as on the date of this Red Herring Prospectus, the board composition of our Company is in compliance with the SEBI Listing Regulations. However, the appointments in relation to the aforesaid non-official independent directors on the board of our Company is on a temporary basis, till the next annual general meeting of the Company or any such period as may be decided by the Ministry of Power, GoI. One of our Promoters, NTPC Limited, *vide* their correspondence dated August 27, 2024, had intimated the Ministry of Power, GoI, that under Regulation 24 of the SEBI Listing Regulations, our material subsidiary, namely, NTPC Renewable Energy Limited, would require at least one independent director who is on the board of the Company, to be one of the directors on the board of the unlisted material subsidiary. Subsequently, *vide* office order dated November 4, 2024, the Ministry of Power, GoI, has appointed Dr. Viveka Nand Paswan as a non-official independent director on the board of our Material Subsidiary. In view of the above, exemption had been sought from the requirement of Clause (10)(f)(g) of Part A of Schedule VI (10) (F) of the SEBI ICDR Regulations, Regulations 17 (1), 18 (3), 19 (4)24 (1) of the SEBI Listing Regulations. Additionally, in accordance with the MCA notification, dated June 5, 2015, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, matters pertaining to the appointment, and remuneration of our Directors and performance evaluation of our Directors are determined by the President of India acting through the Ministry of Power, GoI. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. As a CPSE, our Company is governed by the corporate governance guidelines of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises (“**DPE Guidelines**”). In accordance with the DPE Guidelines and as specifically provided under the Articles of association of our Company, the directors of our Company are appointed by the GoI and their terms of appointment (including their remuneration) are also approved by the GoI. Accordingly, in so far as the above-mentioned matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be. Further, the Nomination and Remuneration Committee neither has the power to formulate any criteria/policy to determine qualifications, positive attributes, independence, or remuneration of the directors nor does it have power to formulate criteria for evaluation of performance of our Directors. To this extent, the terms of reference of the Nomination and Remuneration Committee and the Audit Committee are precluded from being consistent with the role of a nomination and remuneration committee and an audit committee under the SEBI Listing Regulations. Additionally, as on the date of this Red Herring Prospectus, our Company shall not be in conformity with the composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee (the “**Committees**”) applicable for a listed entity under the Companies Act, 2013 and SEBI Listing Regulations and the prescribed corporate governance norms on account of not having independent directors on its Board.

Accordingly, in relation to the above matters, our Company, had filed an exemption letter dated September 18, 2024 under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations seeking certain exemptions from: (i) compliance with regulation 17 (1) of the SEBI Listing Regulations in relation to the appointment of independent directors; (ii) compliance with regulation 24 (1) of the SEBI Listing Regulations which provides that a listed company should have at least one independent director who is on the board of the listed company, to be one of the directors on the board of its unlisted material subsidiary; (iii) compliance with certain corporate governance requirements in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II –Part D of the SEBI Listing Regulations and the Audit Committee as specified under Regulation 18(3) read with point (2) of para (A) under Schedule II -Part C of the SEBI Listing Regulation;

and (iv) clause (1) (b), Schedule XVI of the SEBI ICDR Regulations which states that any change in more than half of the board of directors after filing of the DRHP, may require filing a fresh draft offer document with SEBI. SEBI, vide its letter bearing reference number SEBI/CFD/RAC-DIL1/2024/32978 dated October 21, 2024, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further information, see “*Issue Document Summary– Exemption from complying with any provisions of securities laws, if any, granted by SEBI*” on page 30.

**28. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

We intend to utilize the Net Proceeds of the Issue as set forth in “Objects of the Issue” beginning on page 124. The funding requirements mentioned as a part of the objects of the Issue are based on internal management estimates and our current business plans, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds towards repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Subsidiary, NREL, and towards general corporate purposes, the amount of Net Proceeds to be used will be based on our management’s discretion. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals and as a consequence, we may be required to reschedule or reallocate our capital expenditures which may have an adverse impact on our business, results of operations and cash flows.

The deployment of the Net Proceeds will be at the discretion of our Board.

Further, we propose to repay or pre-pay certain loans obtained from HDFC Bank Limited, one of the Book Running Lead Managers appointed in connection with the Issue from the Net Proceeds. However, on account of this relationship, HDFC Bank Limited does not qualify as an associate of our Company in terms of in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations since the rupee term loan was provided by HDFC Bank Limited to our Material Subsidiary, NTPC Renewable Energy Limited as part of their ordinary course of lending business.

Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Banking Regulations, as amended or any other applicable law

Further, we will appoint a Monitoring Agency for monitoring the utilisation of Issue Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations and the Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors.

**29. *We have substantial capital expenditure requirements and may require additional financing to meet those requirements, which could have an adverse effect on our results of operations and financial condition.***

Our renewable energy business is capital intensive as we require adequate capital to develop new projects and expand into new business like green hydrogen, green chemicals and energy storage systems. Our historical capital expenditure has been and is expected to be primarily used towards development and enhancement of production capacities by way of setting up multi product plant facilities. In some of the initial projects, we have funded our capital expenditure requirements primarily through external borrowings at the project level and other borrowings.

The table below sets forth our capital expenditure for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Capital Expenditure (₹ million)	38,998.34	8,953.33	88,827.19	30,596.89	49,666.66

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial Information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 365.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

As part of our strategy, we intend to expand our renewable energy business. There can be no assurance that our expansion plans will be implemented as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. Although we have generally not experienced time or cost overruns in the past, if in the future we experience significant delays or mishaps in the implementation of the expansion plans or if there are significant cost overruns, then the overall benefit of such plans to our revenues and profitability may decline. To the extent that the planned expansion does not produce anticipated or desired output, revenue or cost-reduction outcomes, our business, results of operations and financial condition would be adversely affected.

Our sources of additional financing, where required to meet our capital expenditure plans or working capital requirements, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, would result in a dilution of your shareholding. For details in relation to the terms of our existing financing arrangements, see “Financial Indebtedness” on page 516.

Our ability to obtain external financing is subject to several uncertainties, including:

- our future results of operations, financial condition and cash flows;
- the credit history of NTPC Limited and its credit ratings;
- our past credit history and credit ratings;
- the prevailing exchange rate of Indian rupee against major currencies, in particular, the U.S. dollar;
- the continued confidence of banks, financial institutions and debt capital investors in us and the renewable energy industry in India;
- the interest rate environment in India and internationally;
- the general condition of global equity and debt capital markets;
- economic, political and other conditions in the jurisdictions where we operate;



- regulatory and government support in the form of tax incentives, preferential tariffs, project cost subsidies and other incentives; and
- our ability to comply with any financial covenants under our debt financing.

Failure to obtain additional financing on acceptable terms and in a timely manner could adversely affect our business, results of operations, financial condition and cash flows.

**30. In the six months period ended September 30, 2024 and in Fiscal 2024, 90.78% and 93.77%, respectively of our revenue was from solar energy projects, and 4.65% and 2.40%, respectively, of our revenue from operations was from wind energy projects. The limited operating history of our solar and wind projects may not serve as an adequate basis to judge our future prospects, results of operations and cash flows.**

Our Company was incorporated on April 7, 2022 for the reorganisation of NTPC Limited’s renewable energy business. Pursuant to the issuance of NMP by the Ministry of Finance on August 23, 2021, and in consultation with the Ministry of Power, the RE Assets of NTPC Limited were transferred to our Company at book value, through a business transfer agreement dated July 8, 2022. Further, NTPC Limited also transferred 100% of its equity shareholding held in NTPC Renewable Energy Limited (“NREL”) to our Company through a share purchase agreement dated July 8, 2022. The transfer of the RE assets and 100% equity shareholding in NREL, were completed on February 28, 2023.

In the six months period ended September 30, 2024 and in Fiscal 2024, 90.78% and 93.77%, respectively, of our revenue was from solar energy projects and 4.65% and 2.40%, respectively, of our revenue from operations was from wind energy projects. There has been significant upward variation in our revenues from operations during the six months period ended September 30, 2024 and during Fiscal 2024, Fiscal 2023 and Fiscal 2022, which is primarily attributable to our increase in capacity during these periods.

The tables below set out our renewable energy sales for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
<b>Total Renewable Energy Sales</b>	<b>18,874.56</b>	<b>96.17%</b>	<b>14,053.11</b>	<b>96.94%</b>	<b>8,848.36</b>	<b>97.19%</b>
<b>Revenue from operations</b>	<b>19,625.98</b>	<b>100.00%</b>	<b>14,497.09</b>	<b>100.00%</b>	<b>9,104.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>				
Solar	9,825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
<b>Total Renewable Energy Sales</b>	<b>10,328.22</b>	<b>95.43%</b>	<b>9,769.26</b>	<b>96.89%</b>
<b>Revenue from operations</b>	<b>10,822.91</b>	<b>100.00%</b>	<b>10,083.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023. See “Restated Consolidated Financial Information” on page 282.

All our solar and wind projects have limited operating histories. For more information on our projects, see “*Our Business - Our Projects*” on page 213. Accordingly, the limited operating histories of our renewable energy projects may not be an adequate basis for evaluating our business prospects and financial performance and make it difficult to predict the future results of our operations. In particular, our future revenues and cash flows may vary significantly from our historical results, as our projects generally ramp up after becoming operational. In addition, the renewable energy industry in India is relatively young and has only seen significant growth over the past decade. Period to period comparisons of our operating results and our results of operations for any period should not be relied upon as an indication of our performance for any future period.

**31. Load dispatch centres may order the curtailment of renewable energy operations. Any such curtailment may adversely affect our business, results of operations and financial condition.**

Load dispatch centres in India were formed to ensure that there is an integrated power system in each region and are responsible for the dispatch of electricity within their region, for monitoring grid operations and providing directions for ensuring grid stability. However, such load dispatch centres may order the curtailment of renewable power generation despite their being accorded “must-run” status. Although we have not had any past instances, there have been a few instances in the past where renewable energy producers have been directed to scale back operations, and this may occur in the event of extraordinary circumstances such as a fall in demand due to any unexpected change in weather patterns or variations in macroeconomic indicators. The curtailment could also be due to grid security constraints such as a result of transmission congestion owing to a mismatch between generation and transmission capacity.

However, load dispatch centres may not provide a reason for such curtailment. For example, the Tamil Nadu State Load Dispatch Centre has, in the past directed certain renewable energy producers in its region to curtail operations without providing valid reasons of grid safety or emergency. Even though the Central Electricity Authority has recently introduced mechanisms for the documenting of such instances and announced that it will investigate such instances of violation of the “must run” status, there can be no assurance that state authorities will diligently furnish relevant information to the Central Electricity Authority promptly, that each such occurrence will be investigated by the Central Electricity Authority, or that any such investigation will result in a favourable outcome. Though the majority of PPAs have guaranteed offtake provisions and compensation due to curtailment on reasons other than grid security, any future curtailment of renewable energy production may interrupt our operations and may have a material adverse effect on our business, cash flows, financial condition and results of operations.

**32. We are subject to credit and performance risk from our suppliers and contractors. If our suppliers and contractors fail to perform as required under our agreements with them our business, results of operations and financial condition may be adversely affected.**

We enter contracts with third-party suppliers of equipment, materials and other goods and services for the development, construction and operation of our projects as well as for other business operations. Our major equipment is covered through vendor warranty ranging from two years for wind turbines, to five to 25 years for solar modules and inverters. While we maintain a diversified set of vendors, we remain subject to the risk that vendors will not perform their obligations. Although in the six months period ended September 30, 2024 and

in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have not had material instances of our vendors failing to perform their obligations, in the future, if our vendors do not perform their obligations, or if they deliver any components that have a manufacturing defect or do not comply with the specified quality standards and technical specifications, it may result in a material breach of the relevant supply agreement. While we may be able to make a claim against the applicable warranty to cover all or a portion of the expenses or losses associated with the defective product, such claims may not be sufficient to cover all our expenses and losses resulting from the defect. In addition, our suppliers could cease operations and no longer honour their warranties, which would leave us to cover the expense and losses associated with the defective products. If our third-party service providers are unable to perform their obligations, including due to bankruptcy, winding up or any injunction, we may incur additional costs in finding a replacement service provider in a timely manner and could experience significant delays in performing our related obligations.

Contractors and suppliers in our projects are generally subject to liquidated damages for failures to achieve timely completion or for performance shortfalls. Our operation and maintenance (“O&M”) contractors may fail to plan their operational strategy for the complete lifecycle of a given project, which could potentially create problems such as an inability to service wind turbines or solar modules over the project lifecycle, or failure to maintain the required site infrastructure or adequate resources at project sites. Although there have been no instances in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, if our O&M contractors fail to perform as required under O&M agreements, affected projects may experience decreased performance, reduced useful life or shutdowns, any of which may adversely affect our operational performance, financial condition and results of operations. Liquidated damages payable under third-party EPC and O&M contracts are generally limited to a specified amount or a percentage of the contract price or the annual fees payable. As a result, the liquidated damages recovered from defaulting vendors may not be sufficient to cover our losses.

**33. Restrictions on solar equipment imports and wind turbine generator imports and other factors affecting the price or availability of solar equipment, may increase our business costs.**

We import equipment including solar module cells and components of wind turbine generators from China. The table below sets forth our cost of materials, components and equipment purchased from suppliers in India and outside India for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024	
	₹ million	% Costs of supplies <sup>(3)</sup>	₹ million	% Costs of supplies <sup>(3)</sup>
India <sup>(2)</sup>	39,144.90	93.25%	57,421.94	81.87%
Outside India				
...China	2,834.84	6.75%	12,716.94	18.13%
Total Outside India	2,834.84	6.75%	12,716.94	18.13%
<b>Total</b>	<b>41,979.74</b>	<b>100%</b>	<b>70,138.88</b>	<b>100%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> EPC contracts may include imported materials, components and equipment but such supplies are included in India as the EPC contractor is responsible for such supplies and suppliers.

<sup>(3)</sup> Cost of Supplies also include installation, transportation etc. as per service agreements.

Any restrictions or additional duties imposed by the governments of India or China, or of any other exporting countries could adversely affect our business, results of operations and prospects. For example, in March 2021, the GoI imposed customs duties on the import of solar modules and solar cells after March 31, 2022. As a result, we were subject to imposition of customs duties by government authorities for importing solar modules from China. There is no assurance that other such duties will not be levied in the future. Though such duties instrumented by the GoI are a pass-through, there may be costs, which cannot be passed on to our offtakers and could have a material adverse impact on our business, financial condition and results of operations.

During 2019, the GoI issued a list of approved module suppliers eligible to supply modules to project developers selected to develop solar projects through competitive bidding processes. The GoI decided to include open access and net-metering projects also to source modules only from the approved vendors, effective from October 1, 2022. The Ministry of New and Renewable Energy, in a memorandum dated March 10, 2023, stated that projects commissioned by March 31, 2024, will be exempted from the requirement of procuring solar

photovoltaic modules only from approved module suppliers. As a result of these regulations, our input costs and timeline for commissioning projects may be impacted.

Any restriction on purchase of materials, components and equipment from outside India could have an adverse effect on our ability to deliver products to our customers, and our business, results of operations and financial condition. Further, if there are any trade restrictions, sanctions or higher tariffs placed by India on purchases made from other countries or similar restrictions are placed by the exporting country for supply of products to India, such trade restrictions, sanctions or higher tariffs may significantly impact our sourcing decisions and may lead to increased cost of purchase, and shortages of raw materials. Trade restrictions, sanctions or higher tariffs, if imposed in future, could have a material adverse effect on our business, results of operations and financial condition.

Further, measures addressing the use of forced labour in the global solar supply chain by the United States and other countries are disrupting global solar supply chains and may impact our operations. The Uyghur Forced Labor Prevention Act, in effect in the United States from June 21, 2022, creates a presumption that imports of any goods made either wholly or in part in Xinjiang have been produced with forced labour. That presumption is rebuttable if the U.S. Customs and Border Protection determines, based on “clear and convincing evidence,” that the goods in question were not produced “wholly or in part by forced labour,” and submits a report to the U.S. Congress setting out its findings. Other jurisdictions have also been enacting similar legislation or are in the process of doing so. For instance, Germany’s Supply Chain Due Diligence Act forbidding forced labour in supply chains went into effect on January 1, 2023. The European Union and Australia both have legislative initiatives to ban importation of goods produced with forced labour underway, with the European Commission publishing a legislative proposal to ban products made with forced labour on September 14, 2022.

We are unable to determine whether our solar panel suppliers comply with such norms. If they were found not to follow them, we might have to find alternative suppliers on short notice, resulting in construction delays, disruption and higher costs. While we have developed multiple supply sources, we could still be adversely affected by increased costs, negative publicity, or other materially adverse consequences to business. If we are not in compliance with these or other similar export restrictions or other similar laws and regulations that apply to our operations, we may be subject to civil or criminal penalties and other materially adverse consequences.

***34. The operational failure of existing interconnection facilities or transmission facilities or the lack of adequate capacity of such interconnection or transmission facilities or evacuation infrastructure may adversely affect our ability to deliver electricity to our counterparties which may result in lower revenues. In addition, our business, results of operations and financial condition are exposed to the extent and reliability of the Indian power grid and its dispatch regime.***

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

In addition, our business, results of operations and financial condition are exposed to the extent and reliability of the Indian power grid and its dispatch regime. As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our projects may be curtailed. We may have to stop producing electricity during periods when electricity cannot be transmitted for instance, when the transmission grid malfunctions. Further, in certain cases, the interconnection approval to the grid is granted on a temporary basis. If interconnection approvals are not regularized, it may result in lack of evacuation facilities being available for projects. This may affect our ability to supply the contracted amount of power to the offtaker which may result in lower revenues. Furthermore, if construction of power projects in India, particularly in the states and regions that we operate in, outpaces transmission capacity of power grids, we may not be able to transmit all our potential electricity to the power grid and therefore are dependent on the availability of the grid infrastructure.

We are responsible for establishing a connection with the grid interconnection from our generating station ourselves. Hence, we will be exposed to additional costs and risks associated with developing transmission lines and other related infrastructure, including the ability to obtain rights of way from landowners for the construction of transmission lines up to the grid interconnection point, which may delay or increase the cost of our projects.

Although the GoI has accorded renewable energy “must-run” status (which means that any renewable power that is generated must always be accepted by the grid), power producers and power procurers are required to undertake planned generation and drawing of power through grid scheduling mechanism to maintain the safety of the power grid. Deviations from the schedule results in payment of deviation charges for shortfall or excess in the generation of power to facilitate grid integration and stability of solar and wind power generating stations. The deviation settlement mechanism and charges are subject to revisions by the regulator from time to time and may impact our revenue. In some cases, this may curtail our ability to transmit electricity into the power grid, which, if we are not otherwise compensated, may adversely affect our financial condition and results of operations.

**35. *Technical problems may reduce energy production below our expectations which materially and adversely impact our generating capacity.***

Our generation assets, including transmission lines and facilities that we construct or own, may not continue to perform due to equipment failure, wear and tear, latent defects, design error or operator error, early obsolescence or force majeure events, among other things, which may lead to unexpected maintenance needs, unplanned outages or other operational issues and have a material adverse effect on our projects, business, financial condition and results of operations. In addition, spare parts for wind turbines and solar projects and key pieces of electrical equipment may be hard to acquire or may have significant sourcing lead time. Specifically, for wind turbines, we utilize the proprietary technology of some of our vendors and any failure by that vendor in supplying the technology or providing periodic maintenance or upgrade on a timely basis could adversely impact our operations. Further, our sources for some significant spare parts and other equipment are located outside of India. Although we have not experienced a shortage of solar modules or critical spare parts in in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, if there is a shortage of critical spare parts or replacement solar modules, we could incur significant delays in returning our facilities to full operation. There also may be unforeseen expenses if vendors default on their warranty obligations.

Any mechanical failure or shutdown of equipment sourced from third parties could result in us having to shut down the entire project. Such events could materially and adversely impact our generating capacity. If any shutdowns continue for extended periods, this may give rise to contractual penalties or liabilities, loss of off-takers and damage to our reputation. Although we are entitled to be compensated by manufacturers for certain equipment failures and defects in certain cases, these arrangements may not be enough to cover all losses suffered. While manufacturing defects are typically covered under the warranty agreements, we may have to bear the costs of repairing the equipment for any damages not foreseeably covered under our supply agreements. Our business, financial condition, results of operations and cash flows could be materially and adversely affected if we cannot recover the expense and losses associated with the faulty component from these warranty providers.

Further, we are subject to strict electricity transmission reliability requirements and standards, regular inspections and audits by Governmental agencies like the Central Electricity Authority, Factory Inspectorate, Labour Inspectorate and our offtaker customers, most of which are central and state government-run utilities. Although we have not had any compliance issues in the past, any failure to comply with contractual and regulatory standards may lead to penalties or damages under our PPAs and could negatively impact our business, results of operations and financial condition.

**36. *If we do not successfully develop new renewable energy sources or systems like our green hydrogen, green chemicals and energy storage systems initiatives in a timely and cost-effective manner, our business, financial condition, cash flows and results of operations may be adversely affected.***

As part of our business strategies, we intend to further diversify our renewable energy project portfolio by entering into new renewable areas including green hydrogen, green chemicals and energy storage systems. The development and commercialisation of new areas like green hydrogen, green chemicals and energy storage systems are complex, time-consuming, costly and involves a high degree of business risk. We may be unable to successfully create these new systems or projects or encounter unexpected delays in the launch of these systems or projects and even if launched as planned, such systems and projects may not perform as we expect. Green hydrogen is not commercially viable as on the date of this Red Herring Prospectus; and there can make no assurance that green hydrogen will be commercially viable in future.

The success of our new renewable offerings including green hydrogen, green chemicals and energy storage systems (including Pumped Hydro Storage Project and Battery Energy Storage Systems) will depend on several factors, including our ability to adopt and implement the evolving technology for green hydrogen,

green chemicals and energy storage systems, our ability to properly anticipate customer needs; obtain timely regulatory approvals; establish collaborations with suppliers and customers; development, construction and operation of such new systems or projects in a timely and cost-effective manner through our efforts; and successfully marketing and sales activities. Further, the development of projects is dependent on the market acceptability of the products. In addition, the development and commercialisation of such new renewable offerings is characterised by significant upfront costs, including costs associated with R&D, development activities, obtaining regulatory approvals and building and constructing systems and plants. Our planned investments in these areas could result in higher costs, especially in the event of cost overruns, without a proportionate increase in revenues. Additionally, some of our competitors may have greater financial, research and technological resources. They may also be in a better position to identify market trends, adapt to changes in industry and offer innovative approaches to these new endeavours. Accordingly, if we do not successfully develop new renewable areas including green hydrogen, green chemicals and energy storage systems in a timely, cost-effective manner that is attractive to our customers, our business, financial condition, cash flows and results of operations may be adversely affected.

**37. The renewable energy market in India is at a relatively early stage of development and trends in the renewable energy industry are based only on limited data and may not be reliable.**

The renewable energy market is at a relatively early stage of development in India, and trends in the renewable energy industry are based only on limited data and may not be reliable. Installed capacity of renewable energy sources have increased from 63 GW in Fiscal 2012 to 123 GW in Fiscal 2019 to approximately 191 GW (including large hydro) in March 2024. (Source: CRISIL Report, November 2024).

Many factors may affect the demand for renewable projects in India, including:

- fluctuations in economic and market conditions that affect the viability of conventional and non-renewable energy sources;
- the cost and reliability of renewable energy compared to conventional and other renewable energy sources;
- the availability of grid capacity to dispatch power generated from renewable energy projects;
- public perceptions of the direct and indirect benefits of adopting renewable energy technology; and
- regulations and policies governing the electric utility industry that may present technical, regulatory and economic barriers to the purchase and use of renewable energy.

If the renewable energy market fails to develop sufficiently, our business, results of operations and financial condition could be materially and adversely affected.

**38. Our profitability is dependent in part on our ability to manage costs during the terms of our project PPAs and operate our solar and wind power projects at optimal levels. If we unable to manage the costs effectively or operate our power projects at optimal levels, our business, results of operations, financial condition and cash flows may be adversely affected.**

Our Company has been profitable in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022. Summary of our financial performance are as follows:

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Profit before tax	2,463.70	4,881.98	3,908.87	2,668.99
Profit after tax	1,753.00	3,447.21	4,564.88	947.42

(₹ millions)

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-out Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the

leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Our profitability is dependent in part on our ability to manage costs during the terms of our project PPAs and operate our solar and wind power projects at optimal levels. If we are unable to manage the costs effectively or operate our power projects at optimal levels, our business, results of operations, financial condition and cash flows may be adversely affected.

**39. Any failure by us to adapt to industry trends and evolving technologies in the renewable energy sector to meet our customers’ demands may materially adversely affect our business and results of operations.**

Changes in regulatory or industry requirements, or competitive technologies may render certain of our renewable energy obsolete or less attractive. For instance, the demand for renewable energy sources including green hydrogen is due to the increased demand for cleaner fuels to reduce carbon emissions from conventional energy sources. (Source: CRISIL Report, November 2024). Any studies or market perceptions that suggest that a particular renewable energy source is ineffective or less effective at reducing carbon emissions could adversely affect the demand for that renewable energy source or system. Further, the adoption of new environmental regulations could adversely impact demand for certain renewable energy sources. In addition, technological advances may alter the demand for certain sources of renewable energy as alternative energy sources are developed. For example, according to CRISIL Research, increased adoptions of electric vehicles may reduce hydrogen demand as electric battery life increases and batteries are able to cater to the long-haul transport of heavy goods. Technological advances that reduce the demand for a particular renewable energy source could adversely affect our business and prospects.

**40. The reduction, modification or elimination of government and economic incentives may reduce the economic benefits of our existing renewable energy projects and our opportunities to develop or acquire new renewable energy projects.**

The development and profitability of renewable energy projects in the locations in which we operate are dependent on policy and regulatory frameworks that support such developments. Changes in policies could lead to a significant reduction in or a discontinuation of the support for renewable energy projects in such locations. Without such support, renewable energy projects might not be commercially viable in such locations.

We have received government grants under viability gap funding (“VGF”) support received from MNRE/Central Government for some of our projects. The table below set forth government grants received in the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Other operating revenues recognized from Government Grants</b>	327.79	3.03%	650.95	3.32%	443.98	3.06%	255.85	2.81%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated

*financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.*

The imposition of extra duties being levied on sources of energy which cause carbon dioxide pollution for the purpose of reducing greenhouse gas emissions has indirectly supported the expansion of power generated from renewable energy and, in turn, renewable energy projects in general. If such direct and indirect government support for renewable energy (in particular, solar and wind power) is terminated or reduced, it would make producing electricity from solar and wind power projects less competitive and reduce demand for new renewable energy projects.

In addition, the projects in which government entities participate may be subject to delays, extensive internal processes, policy changes, changes due to local, national and internal political pressures and changes in governmental or external budgetary allocation and insufficiency of funds. Since government entities are the offtakers for such projects, these projects are directly and significantly dependent on their support. Any withdrawal of support or adverse changes in their policies may lead to the agreements being renegotiated and could also adversely affect the financing, capital expenditure, revenues, development or operations relating to the projects.

***41. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Failure to respond to current and future technological changes in an effective and timely manner may adversely affect our business and results of operations.***

As part of our business, we leverage technology to improve efficiency, plant availability and output. However, the technology required for renewable energy power projects are subject to continuous change and development. Some of our existing technologies and processes in the renewable energy business may become obsolete or perform less efficiently compared to newer and better technologies and processes. For example, the solar photovoltaic (PV) market is dominated by monocrystalline silicon technology. Within monocrystalline technology, mono PERC is an advanced version that employs dielectric passivation film on the rear surface of the cells which increases the efficiency levels. These cells are currently leading the market due to higher efficiency, cover less space, higher output in low light conditions and are available at competitive pricing. (Source: CRISIL Report, November 2024). For further information on new technologies, see “Industry Overview – Growth Drivers for Solar Sector in India – Favourable Technology” on page 167.

The cost of upgrading or implementing new technologies, upgrading our existing equipment or expanding capacity could be significant and may adversely affect our results of operations if we are unable to pass on such costs to our customers or recover such costs from revenue. Failure to respond to current and future technological changes in an effective and timely manner may adversely affect our business, results of operations and financial condition.

***42. Our inability to successfully implement some or all of our business strategies in a timely manner or at all could have an adverse effect on our business. Further, our failure to manage growth effectively may adversely impact our business, results of operations and financial condition.***

We have built our business organically and through joint ventures, and we have demonstrated consistent growth in terms of revenues and profitability.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Continue to grow project pipeline through prudent bidding and strategic joint ventures with PSUs and private companies;
- Focus on projects in hydrogen, green chemicals and storage;
- Drive efficiency and cost reductions in project execution and operations & maintenance; and
- Continue to be at the forefront of India’s sustainability efforts.



The aforesaid strategies are subject to certain risks and uncertainties. Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business. Further, our failure to manage growth effectively may adversely impact our business, results of operations and financial condition.

Our strategies may not succeed due to various factors, many of which are beyond our control, including our inability to reduce our debt and our operating costs, our failure to develop new renewable energy sources and systems with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our suppliers and technology and strategic partners, to execute agreements with offtakers, our failure to sufficiently upgrade our infrastructure equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality engineering and consistency in our operations or to ensure scaling of our operations to correspond with our strategies and customer demand, changes in laws and regulations in India, our inability to respond to regular competition, and other operational and management difficulties.

**43. We are dependent upon the experience and skill of our Key Managerial Personnel and Senior Management. Except for our Executive Directors, all Key Managerial Personnel and Senior Management of our Company are on secondment basis from NTPC Limited. If we are unable to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.**

We are dependent on our Key Managerial Personnel and Senior Management for setting our strategic business direction and managing our business. Except for our Executive Directors, all Key Managerial Personnel and Senior Management of our Company are on secondment basis from NTPC Limited. Our ability to meet continued success and future business challenges depends on our ability and NTPC Limited's ability to attract, recruit and retain experienced, talented and skilled professionals. Without enough skilled employees, our engineering, execution, operations and maintenance quality could suffer. Competition for qualified technical personnel and other professionals with established customer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. The following table sets forth our attrition in the periods indicated.

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023 <sup>(1)</sup>
Attrition Rate	4.74%	2.56%	5.33%

(1) Our Company was incorporated on April 7, 2022.

The loss of the services of all our Key Managerial Personnel and Senior Management, or our inability to recruit or train enough experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, if we or NTPC Limited cannot hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new renewable energy projects, we will need to continue to attract and retain experienced management, engineering, technical and administrative personnel.

The following tables set forth our employee benefit expenses in the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ million	As a % of expenses	₹ million	As a % of expenses	₹ million	As a % of expenses
Employee benefit expenses net off expenditure during construction <sup>(3)</sup>	370.14	2.39%	129.10	1.21%	76.80	1.18%

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	₹ million	As a % of expenses	₹ million	As a % of expenses
Employee benefit expenses net off expenditure during construction <sup>(3)</sup>	306.60	3.46%	159.16	2.15%

(1) Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

(2) Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(3) As our employees are on secondment from NTPC Limited, pay allowances, perquisites and other benefits of the employees are governed by the terms and conditions as per the policy of NTPC Limited.

There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected. For further information, see “Our Management” on page 252.

**44. Our Promoters and certain of our Directors may have interests in the Company other than reimbursement of expenses incurred or normal remuneration or benefits. Further, we have also acquired certain properties and land from our Corporate Promoter since our incorporation.**

Certain of our Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect and benefits arising therefrom. Further, our Promoters may also be deemed to be interested in arrangements entered into by our Company with entities in which they or their relatives hold directorships or partnership interests. Furthermore, we have also acquired certain properties and land from our Corporate Promoter, the details of which are set forth as follows:

- Our Corporate Office has been taken on lease from our Corporate Promoter vide lease agreement dated April 8, 2024; and
- Over 2,809.26 acres of land at Barethi, Madhya Pradesh has been leased to us by our Corporate Promoter for a period of 29 years commencing from August 31, 2023

Additionally, our Company entered into a business transfer agreement dated July 8, 2022 with our Company for the transfer of fifteen Renewable Energy (RE) assets of the Company. However, since the approval for assignment / novation of the land pertaining to Rojmal project and Jetsar project, included in the above transferred RE assets, haven’t yet been consented by the respective lessors, they have been retained in the books of our Corporate Promoter. Our Company, has accordingly entered into a right-of-use (ROU) agreement with our Corporate Promoter for the use of land pertaining to these projects, pending transfer of the lease-hold rights.

Further, the freehold land pertaining to the Bilhaur Solar Project was specifically excluded per the terms of the BTA and has accordingly been leased to our Company by our Corporate Promoter.

For further information, see “Our Promoters and Promoter Group – Interests of our Promoters”, “Our Management – Interest of Directors” and “Our Management – Interests of Key Managerial Personnel and Senior Management” on pages 277, 257 and 272, respectively.

**45. We have issued Equity Shares during the preceding 12 months from the date of this Red Herring Prospectus at a price which may not be indicative of the Issue Price.**

Details of the Equity Shares issued in the last 12 months from the date of this Red Herring Prospectus are set out in the table below.

Date of allotment of Equity Shares	Name(s) of allottee(s)	Number of Equity Shares allotted	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for allotment
March 28, 2024	NTPC Limited	1,000,000,000	10	10	Cash	Rights issue
September 7, 2024	NTPC Limited	1,780,388,965	10	10	Cash	Right issue

The Issue Price is not indicative of the price at which our Company has issued the Equity Shares in the preceding 12 months or that will prevail in the open market following listing of the Equity Shares. For details, see “Capital Structure” on page 113.

**46. *We may not be successful in pursuing joint ventures, strategic partnerships, and future joint ventures and partnerships. Any failure in developing the projects through partnerships and JVs could adversely affect our business, results of operation and financial condition.***

A principal component of our strategy is to expand our operations by growing our project portfolio through strategic partnerships and joint ventures and adopting new technologies for peak power supply, round the clock supply and battery storage services. We are continuing to explore joint venture and partnership opportunities with complementary and strategic businesses. For example, we have joint ventures in place with signed joint venture agreements with Indian Oil Corporation Limited and three other PSUs. For detailed information on our joint ventures for which we have signed an MOU or joint venture agreements, see “*Our Business – Our Projects – Pipeline and Joint Ventures*” on page 219.

We may not be able to identify suitable strategic investment, joint venture or partnership opportunities at acceptable cost and on commercially reasonable terms, obtain the financing necessary to complete and support such investments or integrate such businesses or investments effectively. Any failure to successfully integrate the portfolio of projects of these investments, joint ventures or partnerships may limit our ability to grow our business. Thus, any failure in developing the projects through partnerships and JVs could adversely affect our business, results of operation and financial condition.

Further, we have signed MOUs or term sheets with other PSUs/private corporates. We may not be successful into reaching a joint venture agreement with companies for which we have signed MOUs, which may adversely impact our business and prospects. For example, we were unable to finalize one joint venture despite entering into a MoU.

**47. *There are outstanding legal proceedings against our Company, our Corporate Promoter and our Material Subsidiary. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.***

Certain legal proceedings involving our Company, Corporate Promoter, and our Material Subsidiary are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments, and which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company, Promoters, and Material Subsidiary, as disclosed in “*Outstanding Litigation and Other Material Developments*” on page 521 in terms of the SEBI ICDR Regulations as at the date of this Red Herring Prospectus is provided below.

Name	Criminal proceedings	Tax proceedings	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigation	Aggregate* amount involved (₹ in million)
<b>Company</b>						
By our Company	NIL	NIL	5	NIL	NIL	3,903.20
Against our Company	NIL	NIL	3	NIL	NIL	480.00
<b>By our Directors</b>						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against our Directors	NIL	NIL	NIL	NIL	NIL	NIL
<b>Corporate Promoter</b>						
By our Corporate Promoter	4	88	1	NIL	1	43,849.36
Against our Corporate Promoter	19	4	NIL	NIL	1	56,719.66
<b>Subsidiaries</b>						
By our Subsidiaries	NIL	NIL	6	NIL	NIL	790.00
Against our Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
<b>Group Companies</b>						
Outstanding litigation which may have a material impact on our Company	NIL	NIL	NIL	NIL	NIL	NIL

\*Amount to the extent quantifiable

For further information, see “*Outstanding Litigation and Other Material Developments*” on page 521.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no (additional) liability will arise out of these proceedings. We are in the process of litigating these matters. Further, such proceedings could divert management time and attention and consume financial resources in their defence. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products, our technology, our branding or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with us. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

**48. Our inability to make timely payment of our statutory dues could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business, our results of operations and financial condition.**

Set out below are details of payment of statutory dues by the Company and its Subsidiaries:

Nature of Payment	Restated Consolidated Financial Information <sup>(1)</sup>											
	Six months period ended September 30, 2024				Fiscal 2024				Fiscal 2023			
	No. of employees	Total Dues	Paid	Unpaid	No of employees	Total Dues	Paid	Unpaid	No. of employees	Total Dues	Paid	Unpaid
Tax deducted at source on salary	232	65.10	65.10	NIL	206	155.89	155.89	NIL	111	64.30	64.30	NIL
<b>Total</b>	<b>232</b>	<b>65.10</b>	<b>65.10</b>	<b>NIL</b>	<b>206</b>	<b>155.89</b>	<b>155.89</b>	<b>NIL</b>	<b>111</b>	<b>64.30</b>	<b>64.30</b>	<b>NIL</b>

<sup>1</sup>Based on our restated consolidated financial information for the six months period ended September 30, 2024, Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company.

In the six months period ended September 30, 2024 and in Fiscal 2024 and Fiscal 2023, there have been no delays in payment or failure to make payments of statutory dues towards regulatory authorities by our Company and our Subsidiaries.

**49. Our Statutory Auditors have included in their examination report emphasis of matters that were included in the underlying auditor’s reports on our consolidated financial statements for the year ended March 31, 2024 and our interim consolidated financial statements for the six months period ended September 30, 2024 and September 30, 2023.**

Our Statutory Auditors have included in their examination report emphasis of matters that were included in the auditor’s report on the interim consolidated financial statements for the six months period ended September 30, 2024 and September 30, 2023 as follows:

*“We draw attention to the following matters in the notes to the Restated Consolidated Financial Statements:*

1. *Note No. 32(a) regarding balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to other parties as on 30 September, 2024 and 30 September, 2023 as the Company has practise to issue such letters only once in a year as on December 31. These balances are subject to confirmation / reconciliation and adjustment, if any and, will be accounted for on confirmation / reconciliation of the same.*

2. *Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years for development of the Green Hydrogen Hub in the State of Andhra Pradesh. As per the approval of the Board of Directors of the holding company (“NTPC Limited”) and of the Company, an amount of ₹ 10,034.52 Million (net of refund received) incurred by holding company on this land was reimbursed by the Company to the holding company. Entire amount reimbursed is shown under “Right of Use asset” as on 30 September 2024 and 31 March 2024. Amortization of ROU, kept in Capital Work in Progress amounting to ₹ 202.75 Million as on 30 September 2024 and ₹ 50.85 Million as on 31 March 2024, commenced w.e.f. 19 February 2024 taking lease term as 33 years as the identification of underlying assets to be acquired and their useful life is yet to be ascertained by the management.*

3. *Foot-note (a) to Note 2 regarding title deeds of all the immovable properties, which are included under the head property, plant and equipment as on 30 September 2024 and 30 September 2023 are held in the name of the company except as follows:*

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
(1)	(2)	(3)	(4)	(5)	(6)
Land-Freehold 5,458.05 Acres (5,458.05 Acres)	2,381.72 (2,381.72)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Land-Freehold 7.85 Acres (Nil)	4.55 (Nil)	Number of land owners	No	Financial Year 2023-24	Pending legal formalities.
Land- Right of Use 8,136.72 Acres	2,347.98 (2,405)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.

(8,136.72 Acres)					
Plant buildings, boundary walls etc.	1,027.23 (1,007.20)	NTPC Limited	Promoter	Since 28.02.2023	As stated above, transfer of title deeds of land, over which these assets are constructed, are pending.

Note: Figures in brackets represents area and amount as on 30 September 2023.

Our Statutory Auditors have included in their examination report emphasis of matters that were included in the Auditor's Report on Consolidated Financial Statements for the year ended March 31, 2024 as follows:

*"We draw attention to following matters in the notes to the Consolidated Financial Statements:*

1. Note No. 32(a) regarding obtaining periodic balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to certain other parties as on 31 December 2023. Some of such balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.

2. Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") for development of the Green Hydrogen Hub in Andhra Pradesh whereas this land was earlier on lease with NTPC Limited ("Ultimate Holding Company") since year 2014 and APIIC now agreed for transfer of allotment in the name of the Holding Company. As per the approval of the Board of Directors of the Ultimate holding Company and of the Holding Company, an amount of ₹10,034.52 Million (net of reimbursement received) incurred by holding company till date was reimbursed by the Holding Company to the Ultimate Holding Company which includes down payment of lease charges of ₹7284.60 Million and various other charges, including interest on unpaid dues of land, GST on interest paid, restoration charges and various other amounts, aggregating to ₹2,749.92 Million. Entire amount reimbursed is shown under "Right of Use asset" as on 31 March 2024. Amortization of ROU commenced w.e.f. 19 February 2024 taking lease term as 33 years as useful life of underlying asset is not ascertainable at this stage."

The Emphasis of matter as highlighted by the Statutory Auditors regarding confirmation of balances and Pudimadka Lease are informative in nature and the auditors have also expressed in their Audit report that their opinion is not modified. In respect of land pending legal formalities, we are taking appropriate steps to complete the pending formalities. There is no impact on our financial statements.

We cannot assure you that our Statutory Auditors' reports for any future financial period will not contain similar matters or other remarks, observations or other matters prescribed under Companies (Auditor's Report) Order 2020, and that such matters will not otherwise affect our results of operations.

**50. We do not own the "NTPC" trademark, name or logo and there is no formal agreement with NTPC limited for the use of the "NTPC" trademark. Further, our logo and name have not been registered as trademarks. Accordingly, our ability to use our name or logo may be impaired. We also rely on a combination of trade secret and contractual restrictions to protect our intellectual property. If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. As part of our operations, we might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.**

The "NTPC" trademark, name and logo do not belong to us, which is registered in the name of our Corporate Promoter with the trademark registry. Although we have consent to use their name, we do not have a formal agreement with, or pay, our Corporate Promoter for the use of the "NTPC" trademark, name or logo, and there is no assurance that we will continue to be able to use the "NTPC" trademark, name or logo in connection with our business, which in turn may result in us being unable to capitalize on the brand recognition associated with the "NTPC" trademark. In addition, we have not registered a trademark for our corporate name or logo.

We cannot assure you that the "NTPC" trademark, name or logo our name or logo will not be adversely affected in the future by events such as actions that are beyond our control, including action or inaction of entities using the "NTPC" trademark, name or logo, regulatory actions against such companies or adverse

publicity from any other source. For example, adverse publicity associated with the NTPC™ trademark, name or logo, even if unfounded could in the future have an adverse effect on our financial position and reputation. Any damage to this trademark, name or logo, if not immediately and sufficiently remedied, could have an adverse effect on our business, results of operations or financial condition.

Further, we may not be able to protect our intellectual property rights against third-party infringement and unauthorised use of our intellectual property, including by our competitors. Any failure to protect our intellectual property rights may adversely affect our business, results of operations and financial condition. This may in turn affect our brand value, and consequently, our business. Despite our efforts to protect our proprietary rights, unauthorized parties may copy aspects of our proprietary products, technology, systems and processes and use information that we consider proprietary. Further, unauthorized parties may also attempt, or successfully endeavour, to obtain our intellectual property, confidential information, and trade secrets through various methods, including through cybersecurity attacks, and legal or other methods of protecting this data may be inadequate. In addition, our trade secrets may become known or independently developed by our competitors, and in such cases, we may no longer enjoy the exclusive use of some of our confidential information relating to our products.

While our agreements with our employees and consultants who develop our intellectual property including our proprietary products, technology, systems and processes on our behalf include confidentiality provisions and provisions on ownership of intellectual property developed during employment or specific assignments, as applicable, these agreements may not effectively prevent unauthorized use or disclosure of our confidential information, our intellectual property including our proprietary products, technology, systems and processes and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information or infringement of our intellectual property.

Although no such proceedings have been initiated during the six months period ended September 30, 2024, or during Fiscal 2024 or Fiscal 2023, we may need to litigate to protect our intellectual property or to defend against third party infringement. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed. We may not be able to detect any unauthorised use or take appropriate and timely steps to enforce or protect our intellectual property. Any inability to use or protect our intellectual property could affect our relationships with our customers, which could materially and adversely affect our brand, business, results of operations and financial condition.

In addition, although we have faced no instances of intellectual property claims during the six months period ended September 30, 2024 or during Fiscal 2024 or Fiscal 2023, and while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers; (b) result in costly litigation; (c) cause supplier delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. While during the six months period ended September 30, 2024 or during during Fiscal 2024 or Fiscal 2023, we have not been involved in litigation or incurred litigation expenses in connection with our intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, results of operations and financial condition.

***51. Delays in obtaining, or a failure to maintain, governmental approvals and permits required to construct and operate our projects may adversely affect such projects and our business.***

The construction and operation of our solar, wind and other renewable energy projects, require various governmental approvals and permits, and may be subject to conditions that may be stipulated by relevant government authorities which vary from state to state and time to time. There is no certainty that all permits required for a given project will be granted on time. Although there have been no instances in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, if we fail to obtain or renew such licenses, approvals, registrations and permits in a timely manner, we may not be able to commence

or continue operating our projects in accordance with our contracted schedules or at all, which could adversely affect our business, results of operations, financial condition and cash flows. There is also no certainty that relevant government authorities will not take any action in the future which may expose us to penalties or have a material adverse impact on our operations. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition.

Furthermore, our regulatory permits and approvals are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. Although there have been no instances in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, if we fail to comply, or a regulator claims we have not complied with these conditions, our business, financial condition and results of operations would be materially adversely affected. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations or permits that have been or may be issued to us, may impede our operations. For details of pending approvals relating to our business and operations, see “Government and Other Approvals” on page 536. Such pending material approvals do not have any financial impact, we cannot assure you that we will receive such approvals on time or at all. While there have been no such instances of any show-cause notices in relation to non-compliance with any licenses and approvals, we cannot assure you that that we will not receive any such notices in future.

We are also exposed to changes in the legal and regulatory environment in which we operate, including changing taxes and tariffs and data privacy and protection laws which could, increase our operating costs, or result in litigation or regulatory action. If we fail to comply with the applicable regulations or if the regulations governing our business are amended, or if there is any adverse interpretation of applicable regulations by any judicial, regulatory or administrative authority, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations.

***52. Our operations have inherent safety risks and hazards that require continuous oversight and substantial insurances coverage.***

Construction and generation of power from renewable power generation facilities and plants involves inherent safety risks and hazards which must be identified and mitigated. Power generation involves hazardous activities, including high voltages in key equipment and delivering electricity to transmission and distribution systems. Natural risks such as earthquake, flood, lightning, hurricane and wind, other hazards, such as fire, structural collapse and machinery failure also are inherent risks in our operations. These and other hazards can cause personal injury or loss of life, damage to and destruction of property, plant and equipment and contamination of, or damage to, the environment and suspension of operations. We maintain insurance protection that we consider adequate, but we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. Furthermore, our insurance coverage is subject to deductibles, caps, exclusions and other limitations. A loss for which we are not fully insured could materially and adversely affect our business, results of operations, financial condition and cash flows. Further, due to rising insurance costs and changes in the insurance markets, we cannot provide any assurance that our insurance coverage will continue to be available at all or at rates or on terms similar to those presently available. Any losses not covered by insurance could materially and adversely affect our business, results of operations, financial condition and cash flows.

***53. Our operations are subject to governmental, health, safety and environmental regulations, and we may have to incur material costs to comply with these regulations.***

The power generation business in India is subject to a broad range of environmental, social (including labour), health, safety and other laws and regulations. These laws and regulations require us to obtain and maintain a number of approvals, licenses, registrations and permits for developing and operating power projects. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. We may incur material costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of any violations of or liabilities under environmental or health and safety laws or noncompliance with permits and approvals, which, as a result, may have a material adverse effect on our



reputation, business, results of operations, financial condition and cash flows.

We currently fall under an exemption granted to solar photovoltaic projects that exempts us from complying with the Environment Impact Assessment Notification, 2006, issued under the Environment (Protection) Act, 1986. While we are not required to obtain consents under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016, E-waste Management Rules 2016, certain procedural requirements, such as informing the Pollution Control Board, exists. However, there can be no assurance that we will not be subject to any such consent requirements in the future, and that we will be able to obtain and maintain such consents or clearances in a timely manner, or at all, or that we will not become subject to any regulatory action on account of not having obtained or renewed such clearances in any past periods. Non-compliance with such environmental and other similar laws and regulations will have a material adverse effect on our reputation, business, results of operations and financial condition.

**54. *We may not be able to find suitable sites for the development of renewable energy projects. Any failure by us to secure suitable sites may materially impact the development of a project and may also result in non-compliance with related conditions under project agreements.***

Our ability to realize our business and growth plans is dependent on our ability to develop and secure rights to sites suitable for the development of projects. Suitable sites are determined on the basis of cost, solar and wind resource levels, topography, grid connection infrastructure and other relevant factors, which may not be available in all areas. Further, solar and wind energy projects must be interconnected to the power grid to deliver electricity, which requires us to find suitable sites with adequate evacuation and transmission infrastructure, including right of way. Solar energy and transmission infrastructure projects also require sufficient contiguous land for development, which may be difficult to procure on suitable terms. Some locations used for evacuation and transmission facilities are not owned by us and are located on land owned by third parties. Land used for our projects is subject to other third-party rights such as rights of passage and rights to place cables and other equipment on the properties, which may interfere with our right to use the land and ultimately impair our operations.

Although there have been no instances in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, any failure by us to secure suitable sites may materially impact the development of a project and may also result in non-compliance with related conditions under project agreements. If this occurs across a number of our projects, our business and prospects could be materially and adversely affected.

**55. *Land title in India can be uncertain, and it may be subject to onerous conditions which may restrict its use.***

There is no central title registry for real property in India, and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages and, while digitization is proceeding in many states, have historically been updated manually through physical records. Therefore, property records may not be available online for inspection or updated in a timely manner, may be illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. In addition, there may be a discrepancy between the duration of the principal lease under different orders issued by state governments in respect of a particular parcel of revenue land. Furthermore, title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping, pending or on-going litigation and may be subjected to encumbrances of which we are unaware. In some cases, owners and those traditionally occupying or using land may differ. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice the success of our power projects and require us to write off substantial expenditures in respect of our power projects.

Further, some properties used for our solar projects are subject to other third-party rights such as right of passage and rights to place cables and other equipment on the properties, which may result in certain interferences with our use of the properties. Our rights to the properties used for our solar projects may be challenged by property owners and other third parties for various other reasons as well. Any such challenge, if successful, could impair the development or operations of our solar projects on such properties.

Additionally, the power projects that we may develop or acquire in the future may be located on land that may be subject to onerous conditions under the lease agreements through which we acquire rights to use such

land and rights of way. Furthermore, the state government may exercise its rights of eminent domain, or compulsory acquisition in respect of land on which our projects are or will be located. Any of this may adversely affect our business, results of operations, financial condition and cash flows.

**56. *We do not own all the land on which we operate and our leases are subject to conditions and may not be renewed.***

As of September 30, 2024, we owned approximately 8,900 acres of freehold land and approximately 45,700 acres of leasehold land relating to our projects. Our leasehold land is typically leased for 12 to 40 years. Our leasehold land may be subject to conditions under the pertinent lease agreements. Such conditions typically include restrictions on leasehold interest or rights to use the land, continual operating requirements, and other obligations which include obtaining requisite approvals, payment of necessary statutory charges. Although there have been no instances in the six months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we are exposed to the risk that one or more of our leases will not be extended or will be terminated by the relevant lessors. Some of our projects are located, or will be located, on revenue land that is owned by the state governments or on land acquired or to be acquired from private parties. The timeline for transfer of title in the land is dependent on the type of land on which the projects are, or will be, located, and the policies of the relevant state government in which such land is located. For revenue land, we obtain a lease from the relevant government authority. In certain cases, the land leased for the development of renewable energy projects is obtained on a sub-lease. Such land may be subject to disputes on account of right of way, encroachment and other related issues.

In connection with the transfer of RE Assets from NTPC Limited to us, we have not yet received the consent of the lessor of the assignment/novation of the transfer of land pertaining to the Rojmal and Jetstar projects. Accordingly, legal formalities for transfer of and related to these projects from NTPC Limited to us is under process. For further information, see “- *The acquisition of the purchased renewable energy assets is subject to certain post closing actions, which are currently in the process of being fulfilled. Any failure to fulfil the post-closing actions may reduce the anticipated benefits of the acquisition or result in a material adverse effect on the business, results of operations, financial condition and prospects of our Company*” on page 41.

**57. *One of our borrowing facilities is supported by a guarantee by our Promoter and may need to be refinanced if such guarantee was withdrawn for any reason.***

Our borrowing facility between Japan Bank for International Cooperation and NREL is supported by a guarantee by our Corporate Promoter. This facility had Nil outstanding as at September 30, 2024. This facility may need to be refinanced if such guarantee was withdrawn for any reason.

**58. *Fluctuations in foreign currency exchange rates may negatively affect our cost of sales and gross margins and could result in exchange losses.***

As the functional currency of the Company and our subsidiaries is the Indian rupee, our operating expenses are denominated primarily in Indian rupees. However, some of our capital expenditures, and particularly those for equipment imported from international suppliers, such as solar modules and wind turbine generators are denominated in foreign currencies, primarily U.S dollars. We expect our future capital expenditures in connection with our proposed expansion plans may include significant expenditures in foreign currencies for imported solar panels, components, equipment and machinery.

A significant fluctuation in the Indian rupee to U.S. dollar or other foreign currency exchange rates could materially and adversely affect our business, results of operations, financial condition and cash flows. The exchange rate between the Indian rupee and these currencies, primarily the U.S. dollar, has fluctuated in the past and any appreciation or depreciation of the Indian rupee against these currencies can impact our profitability and results of operations. Our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, the Indian rupee had depreciated against the U.S. dollar in four of the last five years, which may impact our foreign currency expenditures. We have had gains and losses due to these fluctuations in foreign currency.

The table set forth below provides our foreign currency gain/(loss) for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Foreign currency gains (losses) (₹ million)	92.98	-	(89.24)	0.00	0.00

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

**59. Maintenance and expansion of our power generation facilities are provided by third-parties and involve significant risks that could result in reduced power generation and financial results.**

Our power generation facilities require regular maintenance for which we may engage third party operations and maintenance contractors. Although we have services contracts with such third parties, we are exposed to risks regarding the quality and timeliness of their services. Any unexpected operational or mechanical failure, including failure associated with breakdowns, and any decreased operational or management performance, could reduce our facilities’ generating capacity below expected levels and reduce our revenues as a result of generating and selling less power. Degradation of the performance of our projects beyond levels provided for in the related PPAs may also reduce our revenues. Our plants may be adversely affected by storms, high winds or flooding, lower solar insolation resulting in damage and loss of revenue. Unanticipated capital expenditures associated with maintaining, or repairing our facilities may also reduce profitability, especially because our tariff is fixed in the PPAs, and we may not be able to pass through any unexpected costs in relation to the projects to our customers. Furthermore, we are not able to mitigate such project risks through appropriate insurance for natural calamities and through performance guarantees by our operations and maintenance contractors. Any uncovered risk may result in reduced power generation and will have adverse impact on financial results. This impact we may not be able to recover through insurance. If the situation worsens there could be a further adverse impact on our revenues.

**60. We are dependent on contract labour and any disruption to the supply of such labour for project execution and Operation & Maintenance or our inability to control the composition and cost of our contract labour could adversely affect our operations.**

Our workforce includes personnel that we engage through independent contractors. As of September 30, 2024, we had 45 contract labourers. We incur certain contract labour charges for engaging workforce through independent contractors.

Although we do not engage these labourers directly, we may be held responsible for any wage payments to these labourers in the event of default by our independent contractors. While the amount paid in such an event can be recovered from the independent contractor, any significant requirement to fund the wage requirements of the engaged labourers or delay in recovering such amounts from the contractors may have an adverse effect on our cash flows and results of operations.

We are also subject to the laws and regulations in India governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. For instance, the Government of India (“GoI”) has recently introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour

legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. Furthermore, any upward revision of wages that may be required by the government to be paid to such contract labourers would increase our costs and may adversely affect the business and results of our operations. The Central and State Governments prescribes minimum wages based on consumer price index for different nature of labourers for different categories of locations from time to time. We are bound to pay the contract labour the higher of the minimum wages prescribed by the State or Central Government and any drastic upward revisions could have an adverse impact on our costs and profitability in the future.

If we are unable to obtain the services of skilled and unskilled workmen, it may adversely affect our business, results of operations and financial condition.

**61. We may not have sufficient insurance coverage to cover our economic losses as well as certain other risks, not covered in our insurance policies, which could adversely affect business, results of operations and financial condition.**

Our operations are subject to various risks inherent to the renewable energy industry and to the sale of electricity, as well as other risks, such as theft, robbery or acts of terrorism and other force majeure events. We maintain insurance coverage for anticipated risks which are standard for our type of business and operations. We maintain insurance coverage that we consider necessary for our business. We have a standard fire and allied perils insurance policy for all our operating stations and all risk erection insurance policy through the contractors for our projects. Insurance against theft, robbery, workmen compensation and general liability insurance are being taken by our O&M contractors in the operating stations. We have not taken insurance to protect against all risk and liabilities. For example, we do not have loss of business income policy.

The table below sets forth particulars of our insurance coverage on a consolidated basis as at the dates indicated. The Company was incorporated on April 7, 2022. Insurance coverage as at March 31, 2023, and March 31, 2022 was obtained by our Promoter, NTPC Limited, for its assets.

Particulars	As at September 30, 2024	As at March 31, 2024
Insured Assets (₹ million)	1,39,067.50	117,336.50
Insured Assets as % of fixed assets (gross block less land cost)	85.16%	79.43%
Insured Assets as % of total assets	72.79%	66.68%

There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations and financial condition could be adversely affected. For further details of insurance, see “Our Business-Insurance” on page 232.

We have a standard fire and allied perils insurance policy for all our operating stations and all risk erection insurance policy through the contractors for our projects. Insurance against theft, robbery and general liability insurance are being taken by our O&M contractors in the operating stations. We have not taken insurance to protect against all risk and liabilities. For example, we do not have loss of business income policy.

Further, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business. None of our insurance policies are due for renewal as of the date of this RHP.

**62. The average cost of acquisition of Equity Shares held by our Corporate Promoter NTPC Limited, is ₹ 10 per share, which may be less than the Issue Price.**

The average cost of acquisition of Equity Shares held by our Corporate Promoter, NTPC Limited, is ₹10 per share, which may be less than the Issue Price. The details of the average cost of acquisition of Equity Shares held by our Corporate Promoter NTPC Limited is set out below:

Name of Promoter	Number of Equity Shares of face value of ₹ 10 each held	Average cost of acquisition per Equity Share (in ₹)^	% of Pre-issue Equity Share capital
NTPC Limited	7,500,000,000	10.00	100.00

^As certified by our Statutory Auditors pursuant to the certificate dated November 12, 2024.

**63. We have in the past entered into related party transactions and may continue to do so in the future.**

We have, from time to time, entered various transactions with related parties. A summary of the related party transactions entered into by our Company as per Ind AS 24, derived from the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements is detailed below:

(₹ in million)

	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Fiscal 2024	Fiscal 2023	Fiscal 2023	Fiscal 2022
Total related party transactions				
Income Pertaining to RPT	504.32	-		-
Total Income	20,376.57	14,575.27		9,182.43
<b>As a percentage of Total Income (%)</b>	<b>2.47%</b>	<b>0.00%</b>		<b>0.00%</b>
Expenditure Pertaining to RPT	1,099.15	507.59		15.73
Total Expenditure	15,494.57	10,666.40		6,513.44
<b>As a percentage of Total Expenditure (%)</b>	<b>7.09%</b>	<b>4.76%</b>		<b>0.24%</b>
Remuneration to KMPs	8.51	-		-
Employee Cost (before EDC)	772.08	485.91		297.88
<b>As a percentage of Total Employee Cost (%)</b>	<b>1.10%</b>	<b>0.00%</b>		<b>0.00%</b>
Capex Pertaining to RPT	1,526.79	794.53		-
Addition to CWIP	72,240.92	23,831.93		51,620.40
<b>As a percentage of Addition to CWIP (%)</b>	<b>2.11%</b>	<b>3.33%</b>		<b>0.00%</b>
Acquisition to PPE Pertaining to RPT	10,068.22	-		-
Capex Addition to PPE & CWIP	88,827.19	30,596.89		49,666.66
<b>As a percentage of Capex Addition to PPE &amp; CWIP (%)</b>	<b>11.33%</b>	<b>0.00%</b>		<b>0.00%</b>

(₹ in million)

	Restated Consolidated Financial Information <sup>(1)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023
Total related party transactions		
Income Pertaining to RPT	382.74	258.80
Total Income	11,327.39	10,211.37
<b>As a percentage of Total Income (%)</b>	<b>3.38%</b>	<b>2.53%</b>
Expenditure Pertaining to RPT	585.95	368.75
Total Expenditure	8,849.94	7,403.37
<b>As a percentage of Total Expenditure (%)</b>	<b>6.62%</b>	<b>4.98%</b>
Remuneration to KMPs	9.31	2.46
Employee Cost (before EDC)	500.99	357.27
<b>As a percentage of Total Employee Cost (%)</b>	<b>1.86%</b>	<b>0.69%</b>
Capex Pertaining to RPT	811.42	719.04
Addition to CWIP	44,823.29	8,677.26
<b>As a percentage of Addition to CWIP (%)</b>	<b>1.81%</b>	<b>8.29%</b>
Acquisition to PPE Pertaining to RPT	-33.70	-
Capex Addition to PPE & CWIP	38,998.34	8,953.33
<b>As a percentage of Capex Addition to PPE &amp; CWIP (%)</b>	<b>-0.09%</b>	<b>0.00%</b>

Note: 1 – The above transactions do not include equity contributions because such equity infusions were done by the holding companies.

- (1) *Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.*
- (2) *Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.*

For information on all our related party transactions, see “*Restated Consolidated Financial Information – Note 37 – Disclosure as per Ind AS 24 ‘Related Party Disclosures’*” on page 340.

Although all the related party transactions in the six months period ended September 30, 2024 and 2023 and in Fiscal 2024 and Fiscal 2023 have been carried out on arm’s length basis and in the ordinary course of business and in accordance with the requirements of Companies Act, 2013, we cannot assure you that each of the related party transactions will be carried out on an arm’s length basis in the future and on more favourable terms as compared to unrelated parties. It is likely that we will continue to enter related party transactions in the future. Some of these transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments. Although all related-party transactions that we may enter will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will perform as expected/ result in the benefit envisaged therein.

**64. *Certain of our Directors do not have prior experience on the board of directors of publicly listed companies which may be detrimental to our Board of Directors when making key decisions.***

As a listed company we will be subjected to the compliance requirements and increased scrutiny of our affairs by Shareholders, regulators and the public at large associated with being a publicly listed company. As a publicly listed company, we will incur significant legal, accounting, corporate governance and other issues that we were not present as an unlisted company. Certain of our Directors do not have prior experience on the board of directors of publicly listed companies which may be detrimental to our Board of Directors when making key decisions, which in turn could adversely affect our business, results of operations and financial condition. For further information on our Directors, see “*Our Management - Board of Directors*” on page 252.

**65. *After the completion of the Issue, our Corporate Promoter will continue to collectively hold substantial shareholding in our Company. Further, our Corporate Promoter is controlled by the Government of India acting through the Ministry of Power.***

Currently, our Corporate Promoter, NTPC Limited, owns an aggregate of 100% of our issued, subscribed and paid-up Equity Share capital. Following the completion of the Issue, our Corporate Promoter will continue to hold [●] of our post-Issue Equity Share capital. For details of their shareholding pre and post-Issue, see “*Capital Structure*” on page 113. By virtue of their shareholding, our Corporate Promoter will have the ability to exercise significant control over the outcome of the matters submitted to our shareholders for approval, including the appointment of Directors, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger or sale of substantially all of our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Corporate Promoter in its capacity as our Shareholder could be different from the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

Further, our Corporate Promoter is a public sector company controlled by the President of India, acting through the Ministry of Power, Government of India. Consequently, the President of India, acting through the Ministry of Power, Government of India, will have indirect control of us and will have the power to elect and remove the Directors and therefore determine the outcome of most proposals for corporate action requiring approval of the Board or the shareholders, including with respect to the payment of dividends, preparation of budgets, capital expenditure, and transactions with other public sector companies.

**66. *Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements,***

*including prior shareholders' approval.*

Our proposed objects of the Issue are set forth under “*Objects of the Issue*” on page 124. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoter would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Corporate Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***67. Our Subsidiaries and Joint Venture may not pay cash dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries and Joint Ventures.***

Our Subsidiaries and Joint Venture are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. We cannot assure you that our Subsidiaries and Joint Ventures will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future.

***68. Failure or disruption of our IT systems may adversely affect our business, results of operations and financial condition.***

We rely on IT systems in connection with financial controls, risk management and transaction processing as well as to manage our power projects. We may be subject to disruptions of our IT systems, arising from events that are wholly or partially beyond our control (for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, or loss of support services from third parties such as internet backbone providers). Although we have not experienced material incidents in the past, we may in the future experience incidents of system failures, cyber-attacks and frauds, hacking, phishing, trojans and theft of data or other types of cyber security attacks or incidents that have a material adverse effect on our business, results of operations, financial condition and cash flows. In the event we experience systems interruptions, errors, downtime, incidents of hacking, phishing, or breaches of our data security systems, this may give rise to deterioration in customer service and loss or liability to us and it may materially and adversely affect our reputation, business, results of operations, financial condition and cash flows. Such cyber security events could expose us to a risk of loss or misuse of our information, litigation, reputational damage, violations of applicable privacy and other laws, fines, penalties or losses that are either not insured against or not fully covered by insurance maintained. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities.

***69. Failure to maintain confidential information of our customers could adversely affect our results of operations or damage our reputation.***

We enter into confidentiality agreements and non-disclosure agreements with our customers and other third parties. Our agreements with our customers also contain confidentiality and non-disclosure clauses. As per these agreements, we are required to keep confidential, the know-how and technical specifications, if any,

provided to us by these customers. In the event of any breach or alleged breach of our confidentiality agreements with our customers, these customers may terminate their engagements with us or initiate litigation for breach of contract. Moreover, most of these contracts do not contain provisions limiting our liability with respect to breaches of our obligation to keep the information we receive from them confidential. As a result, if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. Although we have had no incidents during the six months period ended September 30, 2024, or during Fiscal 2024 or Fiscal 2023, assertions in the future of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, results of operations and financial condition. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

***70. Our employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.***

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include losses of components, equipment and materials and intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. There can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. Although we have had no material incidents of employee misconduct during the six months period ended September 30, 2024, or during Fiscal 2024 or Fiscal 2023, if our employees engage in any such future misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business, results of operations or financial condition.

***71. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we could be exposed to operational risks arising from any potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, results of operations and financial condition. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

***72. Information relating to the installed capacity, capacity utilisation factor and of our renewable energy projects included in this Red Herring Prospectus are based on various assumptions and estimates and***



*future generation and capacity may vary.*

Information relating to the installed capacity, capacity utilisation factor and electricity kwh generated of our renewable energy projects included in this Red Herring Prospectus is based on various assumptions and estimates of our management and independent certified engineers, including assumptions relating to capacity calculation practice of electricity industry, period during which the project operates in a year due to available sun or wind or otherwise, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. For detailed information on installed capacity, capacity utilisation factor and electricity kwh generated of our renewable energy projects, see “*Our Business – Overview*” and “*Our Business – Our Projects*” on pages 196 and 213, respectively. Actual electricity kwh generated and capacity utilization rates may differ significantly from historical capacity utilization of our renewable energy projects. Investors should therefore not place undue reliance on our historical installed capacity information included in this Red Herring Prospectus.

**73. *Our Promoters and Directors may have interests in entities, which are in businesses similar to ours and this may result in conflict of interest with us***

Certain of our Promoters and Directors may have interests in entities, which are in businesses similar to ours and this may result in conflict of interest with us.

We cannot assure you that our Promoters and Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. In the event that any conflicts of interest arise, our Promoters and Directors may make decisions regarding our operations, financial structure or commercial transactions that may not be in our shareholders’ best interest. It may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects. Should we face any such conflicts in the future, there is no guarantee that they will be resolved in our favor. Our Promoters holding Equity Shares may also take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

**74. *Certain sections of this Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Red Herring Prospectus include information based on, or derived from, the CRISIL Report prepared by CRISIL Research, which is not related to our Company, Directors, Key Managerial Personnel, Senior Management or NTPC Limited. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Issue. All such information in this Red Herring Prospectus indicates the CRISIL Report as its source. Accordingly, any information in this Red Herring Prospectus derived from, or based on, the CRISIL Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Issue. See “*Industry Overview*” on page 151. For the disclaimers associated with the CRISIL Report, see “*Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data*” on page 18.

**75. *We have in this Red Herring Prospectus included certain Non-GAAP Measures that may vary from any standard methodology that is applicable across the Indian renewable energy industry and may not be comparable with financial information of similar nomenclature computed and presented by other***

*companies.*

Certain Non-GAAP Measures relating to our operations have been included in this Red Herring Prospectus. For more information on the key performance indicators and non-GAAP financial measures used in this Red Herring Prospectus, see “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation—Non-GAAP measures*”, on page 17. We compute and disclose such Non-GAAP Measures as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian renewable energy companies, many of which provide such Non-GAAP Measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited and restated financial statements as reported under applicable accounting standards disclosed elsewhere in this Red Herring Prospectus. These Non-GAAP Measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and are not measures of operating performance or liquidity defined by generally accepted accounting principles, and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other renewable energy companies.

## **External Risks**

### ***Risks Relating to India***

#### ***76. A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, or a decline in India’s foreign exchange reserves could negatively affect liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations and financial condition.

India’s economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards the renewable energy industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

#### ***77. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

#### ***78. Our business is affected by global economic conditions, which may have an adverse effect on our business, results of operations and financial condition.***

The Indian economy and its securities markets are influenced by global economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse

effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

China is one of India's major trading partners and there are rising concerns of a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

Developments in the ongoing conflict between Russia and Ukraine, Israel and Hamas, Iran and the Houthi rebels and certain western countries, have resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition may be adversely affected.

***79. Changing regulations in India could lead to new compliance requirements that are uncertain.***

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI or State governments in India may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the GoI, State governments and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition.

***80. Natural calamities, climate change and health epidemics and pandemics in India could adversely affect our business, results of operations and financial condition. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations and financial condition.***

India has experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and may damage or destroy our solar, wind and other renewable power assets or other assets which are concentrated in one location. Any of these natural calamities could adversely affect our business, results of operations and financial condition. Our operations including our solar, wind and other renewable power in India may be damaged or disrupted as a result of natural calamities. Such events also may lead to the disruption of information systems, electrical transmission distribution systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our solar, wind and other renewable power assets could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our renewable projects. Though some of the losses are covered under appropriate insurance, the above factors may still adversely affect our business, results of operations and financial condition.

India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult. Such political tensions also could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature

in the future, as well as social and civil unrest within other countries in Asia and Europe, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

**81. *Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business, results of operations and cash flows.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such funding is available. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which is outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

**82. *Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus.***

Our Restated Consolidated Financial Information has been compiled from our audited consolidated financial statements prepared and presented in accordance with Ind-AS, and restated in accordance with the SEBI ICDR Regulations. Ind-AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS and the Companies Act. Any reliance by persons not familiar with Ind-AS on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may not be directly comparable to ours, and therefore reliance should accordingly be limited.

**83. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act may in turn adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC, is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On April 11, 2023, the Competition (Amendment) Bill 2023 received the assent of the President of India to become the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**"), amending the Competition Act and giving the CCI additional powers to prevent practices that harm competition and the interests of consumers. It has been enacted to increase the ease of doing business in India and enhance transparency. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. We may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results

of operations, cash flows, and prospects.

**84. Investors may not be able to enforce a judgment of a foreign court against us.**

Our Company is a company incorporated under the laws of India. Our Board of Directors comprises members all of whom are Indian citizens. All of our Key Managerial Personnel and Senior Management are residents of India and majority of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

**Risks Relating to the Issue and the Equity Shares**

**85. The Issue Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.**

Set forth below are details regarding our revenue from operations and restated profit / (loss) after tax for the periods indicated.

Particulars	Six months period ended September 30, 2024	Fiscal 2024
Revenue from operations (₹ million)	10,822.91	19,625.98
Restated profit/(loss) for the year (₹ million)	1,753.00	3,447.21

Our market capitalization to revenue from operations (Fiscal 2024) multiple is [●] times and our price to earnings ratio (based on Fiscal 2024 restated profit / (loss) after tax for the year) is [●] at the upper end of the Price Band and [●] at the lower end of the Price Band. The Issue Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain quantitative and qualitative factors as set out in “Basis for Issue Price” on page 133, and the Issue Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter. Investors are advised to make an informed decision while investing in our Company taking into consideration the price per share that will be published in price advertisement, the revenue generated per share in the past and the market capitalization of our company vis-à-vis the revenue generated per share. Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Accordingly, any valuation exercise undertaken for the purposes of the Issue by our

Company would not be based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching significant new projects, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

- 86. *The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Managers. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under “*Basis for Issue Price*” on page 133 and may not be indicative of the market price for the Equity Shares after the Issue. Additionally, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see “*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*” commencing on page 551. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

- 87. *Subsequent to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measures and Graded Surveillance Measures by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the “**Listed Securities**”) to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures (“**ASM**”) and graded surveillance measures (“**GSM**”). ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net worth, other measures such as price-to-earnings multiple and market capitalization. Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, and low trading volumes as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, limiting trading frequency or freezing of price on the upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on the market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management’s attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

- 88. *Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

**89. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

**90. *Our Company's Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and may not be indicative of the market price of Equity Shares after the Issue, and you may be unable to resell your Equity Shares at or above the Issue Price or at all.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of our Equity Shares will be determined through a book-building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Red Herring Prospectus. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Issue Equity Share capital, NTPC Limited, our majority shareholder, may sell its shareholding in our Company, depending on market conditions and its investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Issue Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**91. *We cannot assure payment of dividends on the Equity Shares in the future.***

As per Guidelines on Capital Restructuring of Central Public Sector Enterprises, dated May 27, 2016, issued by Department of Investment and Public Asset Management, Ministry of Finance, Government of India and the department of Economic Affairs ("CPSE Capital Restructuring Guidelines"), containing the guidelines for payment of dividend, applicable from Financial Year ending on or after March 31, 2016, all central public sector enterprise including our Company is required to pay a minimum annual dividend of 30% of profit after tax or 5% of the net worth, whichever is higher, unless an exemption is provided in accordance with the CPSE Capital Restructuring Guidelines. Therefore, subject to the provisions of the CPSE Capital Restructuring Guidelines, the Articles of Association and the Companies Act, the declaration and payment of dividend is recommended by the Board and approved by the Shareholders. The dividend distribution policy of our Company was approved by our Board in its meeting held on September 9, 2024. Further, the dividends, if any, will depend on a number of factors, including but not limited to our results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we

may enter into. For further details, see “*Restated Consolidated Financial Information*” and “*Financial Indebtedness*” on pages 282 and 516, respectively. Our Company may also, from time to time, pay interim dividends.

**92. *Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Securities transaction tax (“STT”) will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, STT paid, the quantum of gains and any available treaty relief. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. The capital gains tax applicable at the time of sale of equity shares, on a stock exchange or off-market sale, is subject to amendments from time to time.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of Equity Shares. Additionally, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident, and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has recently introduced various amendments to the Income Tax Act, vide the Finance Act, 2024. We have not fully determined the impact of these recent and proposed laws and regulations on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals

**93. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders, Eligible Employees bidding in the Employee Reservation Portion and Eligible Shareholders bidding in the Shareholders’ Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, or such other time period as required under the applicable laws, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in macro-economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted or cause the trading price of the



Equity Shares to decline on listing.

**94. *There is no guarantee that our Equity Shares will be listed on the BSE and NSE in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**95. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. To the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of their ownership position and their proportional interests in our Company would be reduced.

**96. *Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute holders' shareholding and sales of the Equity Shares by our NTPC Limited, our majority shareholder, may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by NTPC Limited, our majority shareholder, or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. Additionally, the disposal, pledge or encumbrance of the Equity Shares by NTPC Limited, our majority shareholder, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Such securities may also be issued at prices below the Issue Price.

**97. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Although the SEBI Takeover Regulations have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated.

Shareholders' rights under Indian law and our Articles of Association may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face more challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

**98. Foreign investors are subject to investment restrictions under Indian laws, which limit the ability to attract foreign investors, which may adversely impact the market price of Equity Shares.**

Foreign ownership of Indian securities is subject to Government regulation. Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or does not fall under any of the exceptions specified by the RBI, then prior approval of the RBI will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no objection or a tax clearance certificate from the Indian income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

Further, pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can only be made through Government approval route, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. The Company cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms, or at all. For further details, please see “*Restriction on Foreign Ownership of Indian Securities*” on page 596.

## SECTION III: INTRODUCTION

### THE ISSUE

The following table summarizes details of the Issue:

Issue <sup>(1)</sup>	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 100,000.00 million
<i>of which</i>	
Employee Reservation Portion <sup>(2)(7)</sup>	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,000.00 million
Shareholders' Reservation Portion <sup>(6)</sup>	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 10,000.00 million
<i>Accordingly</i>	
Net Issue	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 88,000.00 million
<i>The Net Issue consists of:</i>	
(i) QIB Portion <sup>(3)(4)</sup>	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<i>of which:</i>	
(a) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
<i>of which:</i>	
Available for allocation to Mutual Funds only	[●] Equity Shares of face value of ₹ 10 each
Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 10 each
(b) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 10 each
<i>of which:</i>	
(i) Mutual Fund Portion	[●] Equity Shares of face value of ₹ 10 each
(ii) Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 10 each
(ii) Non-Institutional Portion <sup>(5)</sup>	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹1.00 million	[●] Equity Shares of face value of ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	[●] Equity Shares of face value of ₹ 10 each
(iii) Retail Portion	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<b>Pre and post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	7,500,000,000 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Issue*	[●] Equity Shares of face value of ₹ 10 each
<b>Use of proceeds of the Issue</b>	See “ <i>Objects of the Issue</i> ” on page 124 for information about the use of the Net Proceeds of the Issue.

\* To be updated upon finalization of the Issue Price.

<sup>(1)</sup> Our Board has authorised the Issue, pursuant to its resolution dated September 9, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated September 10, 2024.

<sup>(2)</sup> Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 0.20 million (net of Employee Discount). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid for a value in excess of ₹ 0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Further, undersubscription, if any, in the Employee Reservation Portion or the Shareholders Reservation Portion, may be added to other reserved category and the unsubscribed portion, if any, after such inter-se adjustments among such reserved categories shall be added to the Net Issue. Additionally, (i) an Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Issue and the Shareholders Reservation Portion, subject to qualifying the eligibility criteria and applicable limits, and such Bids will not be treated as multiple Bids, and (ii) an Eligible Shareholder Bidding in the Shareholders Reservation Portion can also Bid under the Net Issue and the Employee Reservation Portion, subject to qualifying the eligibility criteria and applicable limits, and such Bids will not be treated as multiple Bids.

<sup>(3)</sup> Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of Categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from other category or a combination of categories of Bidders at the discretion of

- our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. In the event of under-subscription in the Issue, Equity Shares shall be allocated in the manner specified in the section “Terms of the Issue” on page 560.
- (4) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. For details, see “Issue Procedure” on page 572.
- (5) Equity shares available for allocation to Non-institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (a) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹ 0.20 million and up to ₹1.00 million; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹1.00 million. Unsubscribed portion in either of the aforementioned sub-categories, may be allocated to applicants in the other subcategory of non-institutional investors.
- (6) The Shareholders Reservation Portion, in accordance with the SEBI ICDR Regulations, shall not exceed 10% of the size of the Issue.
- (7) The Employee Reservation Portion shall not exceed 5.00% of our post-issue Equity Share capital.

Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Non-Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For details, see “Issue Procedure” on page 572.

For details of the terms of the Issue, see “Terms of the Issue” on page 560.

## SUMMARY FINANCIAL INFORMATION

The following summary financial information of our Company is extracted from the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements included in this Red Herring Prospectus and should be read in conjunction with “*Restated Consolidated Financial Information*”, “*Special Purpose Carved-Out Combined Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 282, 365 and 431, respectively.

<b>S. No</b>	<b>Summary financial information</b>	<b>Page No.</b>
1.	Restated Consolidated Financial Information	97
2.	Special Purpose Carved-Out Combined Financial Statements	100

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**RESTATED CONSOLIDATED BALANCE SHEET**

Amount in ₹ Million

Particulars	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,90,761.28	1,51,660.97	1,75,729.97	1,47,581.23
Capital work-in-progress	90,305.09	19,140.20	71,380.71	17,493.45
Intangible assets	-	-	-	-
Investments accounted for using equity method	166.73	0.50	0.48	-
Financial assets				
Other financial assets	849.67	801.05	825.03	777.69
Other non-current assets	21,454.63	12,471.28	11,589.94	10,522.04
<b>Total non-current assets</b>	<b>3,03,537.40</b>	<b>1,84,074.00</b>	<b>2,59,526.13</b>	<b>1,76,374.41</b>
<b>Current assets</b>				
Inventories	283.67	96.99	245.03	93.00
Financial assets				
Trade receivables	4,610.73	5,103.27	7,048.14	3,254.98
Cash and cash equivalents	12,522.53	25.61	1,156.27	727.46
Bank balances other than cash and cash equivalents	2,031.88	4,289.03	3,565.16	-
Other financial assets	658.66	4,828.75	439.48	3,806.00
Other current assets	438.14	183.11	84.01	58.10
<b>Total current assets</b>	<b>20,545.61</b>	<b>14,526.76</b>	<b>12,538.09</b>	<b>7,939.54</b>
<b>TOTAL ASSETS</b>	<b>3,24,083.01</b>	<b>1,98,600.76</b>	<b>2,72,064.22</b>	<b>1,84,313.95</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	75,000.00	47,196.11	57,196.11	47,196.11
Other equity	6,891.82	3,759.72	5,125.31	1,678.21
<b>Total equity attributable to owners of the Company</b>	<b>81,891.82</b>	<b>50,955.83</b>	<b>62,321.42</b>	<b>48,874.32</b>
Non-controlling interests	918.18	0.69	0.69	0.58
<b>Total equity</b>	<b>82,810.00</b>	<b>50,956.52</b>	<b>62,322.11</b>	<b>48,874.90</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	1,64,021.91	91,021.39	1,21,645.11	52,435.31
Lease liabilities	9,027.09	6,875.27	9,782.65	6,842.16
Deferred tax liabilities (net)	13,010.30	11,591.20	12,299.60	10,864.90
Other non-current liabilities	19,425.65	17,625.95	19,343.58	16,945.90
<b>Total non-current liabilities</b>	<b>2,05,484.95</b>	<b>1,27,113.81</b>	<b>1,63,070.94</b>	<b>87,088.27</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	6,553.05	6,206.90	6,322.29	1,743.10
Lease liabilities	842.63	370.90	809.24	349.48
Trade payables				
Total outstanding dues of micro and small enterprises	74.31	88.41	97.03	129.00
Total outstanding dues of creditors other than micro and small enterprises	844.41	467.22	527.79	893.70
Other financial liabilities	26,539.66	12,609.61	37,901.89	44,489.01
Other current liabilities	933.20	787.39	1,012.13	746.49
Provisions	0.80	-	0.80	-
<b>Total current liabilities</b>	<b>35,788.06</b>	<b>20,530.43</b>	<b>46,671.17</b>	<b>48,350.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,24,083.01</b>	<b>1,98,600.76</b>	<b>2,72,064.22</b>	<b>1,84,313.95</b>

**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

Amount in ₹ Million

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Income</b>				
Revenue from operations	10,822.91	10,083.21	19,625.98	1,696.90
Other income	504.48	128.16	750.59	9.41
<b>Total income</b>	<b>11,327.39</b>	<b>10,211.37</b>	<b>20,376.57</b>	<b>1,706.31</b>
<b>Expenses</b>				
Employee benefits expense	306.60	159.16	370.14	28.07
Finance costs	3,778.15	3,356.89	6,905.73	498.72
Depreciation and amortization expenses	3,578.28	3,109.37	6,427.58	499.06
Other expenses	1,186.91	777.95	1,791.12	155.02
<b>Total expenses</b>	<b>8,849.94</b>	<b>7,403.37</b>	<b>15,494.57</b>	<b>1,180.87</b>
<b>Profit before share of profits of joint ventures accounted for using equity method</b>	<b>2,477.45</b>	<b>2,808.00</b>	<b>4,882.00</b>	<b>525.44</b>
Add: Share of profits of joint ventures accounted for using equity method	(13.75)	-	(0.02)	-
<b>Profit before tax</b>	<b>2,463.70</b>	<b>2,808.00</b>	<b>4,881.98</b>	<b>525.44</b>
<b>Tax expense</b>				
Current tax				
Current year	-	0.08	0.07	0.06
Deferred tax	710.70	726.30	1,434.70	(1,186.90)
<b>Total tax expense</b>	<b>710.70</b>	<b>726.38</b>	<b>1,434.77</b>	<b>(1,186.84)</b>
<b>Profit for the year</b>	<b>1,753.00</b>	<b>2,081.62</b>	<b>3,447.21</b>	<b>1,712.28</b>
<b>Other comprehensive income</b>	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,753.00</b>	<b>2,081.62</b>	<b>3,447.21</b>	<b>1,712.28</b>
<b>Profit attributable to:</b>				
Owners of the parent company	1,766.51	2,081.51	3,447.10	1,712.19
Non-controlling interest	(13.51)	0.11	0.11	0.09
<b>Total comprehensive income attributable to:</b>				
Owners of the parent company	1,766.51	2,081.51	3,447.10	1,712.19
Non-controlling interest	(13.51)	0.11	0.11	0.09
<b>Earnings per equity share (Par value ₹ 10/- each)</b>				
Basic (₹)	0.30	0.44	0.73	4.66
Diluted (₹)	0.30	0.44	0.73	4.66

**RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS**

Amount in ₹ Million

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / ( Loss ) before tax	2,477.45	2,808.00	4,882.00	525.44
<b>Adjustment for:</b>				
Interest Income/Late Payment Surcharge/income from investments received	(337.71)	(127.72)	(580.70)	(9.41)
Finance Costs	3,779.18	3,321.08	6,817.67	492.57
Depreciation & Amortisation expense	3,578.28	3,109.37	6,427.58	499.06
Unwinding of discount on account of vendor liabilities	(1.50)	35.58	87.83	5.95
Deferred Revenue from Government Grants	(327.79)	(313.95)	(650.95)	(49.77)
Provisions	-	-	2.66	-
<b>Operating Profit / (Loss) before working capital changes</b>	<b>9,167.91</b>	<b>8,832.36</b>	<b>16,986.09</b>	<b>1,463.84</b>
Current Liabilities				
Trade Payables	293.90	(568.18)	(397.37)	141.56
Other financial liabilities	(251.52)	3,046.68	3,164.55	(2,111.87)
Other current liabilities	(92.76)	(15.10)	209.65	95.14
Current Assets				
Inventories	(38.64)	(3.99)	(153.89)	24.80
Trade receivables	2,567.44	(1,848.29)	(3,648.93)	681.32
Other Financial Assets	(186.32)	(92.03)	(316.22)	(133.90)
Other Current Assets	(354.13)	(125.03)	(25.93)	11.81
<b>Cash generated from operations</b>	<b>11,105.88</b>	<b>9,226.42</b>	<b>15,817.95</b>	<b>172.70</b>
Income Tax (paid)/refunded	(10.37)	(0.24)	(26.73)	-
<b>Net Cash from/(used in) Operating Activities - A</b>	<b>11,095.51</b>	<b>9,226.18</b>	<b>15,791.22</b>	<b>172.70</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income/Late Payment Surcharge/income from investments received	329.41	127.72	521.53	9.41
Purchase of property, plant and equipment & CWIP	(35,725.64)	(8,643.27)	(84,630.91)	(7,514.43)
Proceeds from Government Grants	254.50	(1,991.64)	6,403.25	3,847.78
Purchase Consideration for acquisition of RE Assets				
Non-current & Current Assets	-	-	-	(1,58,605.00)
Non-Current & Current Liabilities	-	-	-	38,499.50
Acquisition of Subsidiary/JV Company	-	-	-	(10,944.64)
Investment in Joint Venture Companies	(180.00)	(0.50)	(0.50)	-
Other financial assets	(24.64)	(23.36)	(47.33)	(777.69)
Other Non Current Assets	(9,842.17)	794.47	(1,021.61)	(2,715.67)
Other Financial Liabilities (for capital expenditure/assets acquisition)	(11,689.73)	(35,457.50)	(9,715.43)	35,158.27
Income tax paid on income from investing activities	(12.15)	-	(19.66)	(0.53)
Bank balances other than cash and cash equivalents	1,533.28	(4,289.03)	(3,559.80)	-
<b>Net cash flow from/(used in) Investing Activities - B</b>	<b>(55,357.14)</b>	<b>(49,483.11)</b>	<b>(92,070.46)</b>	<b>(1,03,043.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Equity Contribution received	17,803.89	-	10,000.00	50,829.50
Changes in Non-Controlling Interest	931.00	-	-	-
Proceeds from non-current borrowings	45,711.01	43,049.88	76,892.40	53,778.41
Repayment of non-current borrowings	(3,103.45)	-	(3,103.40)	-
Other non-current liabilities	-	-	257.06	-
Payment of lease obligations	(281.82)	(150.65)	(492.22)	(574.70)
Interest Paid	(5,432.74)	(3,344.15)	(6,845.79)	(498.52)
<b>Net Cash flow from/(used in) Financing Activities - C</b>	<b>55,627.89</b>	<b>39,555.08</b>	<b>76,708.05</b>	<b>1,03,534.69</b>
<b>Net increase/(decrease) in Cash &amp; Cash equivalents (A + B + C)</b>	<b>11,366.26</b>	<b>(701.85)</b>	<b>428.81</b>	<b>727.46</b>
<b>Cash &amp; cash equivalents (Opening balance)</b>	<b>1,156.27</b>	<b>727.46</b>	<b>727.46</b>	<b>-</b>
<b>Cash &amp; cash equivalents (Closing balance) (see Note (c) below)</b>	<b>12,522.53</b>	<b>25.61</b>	<b>1,156.27</b>	<b>727.46</b>



## NTPC RE GROUP

### SPECIAL PURPOSE CARVED OUT COMBINED BALANCE SHEET as at 31 March 2023 and 31 March 2022

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,47,581.23	75,210.35
Capital work-in-progress	17,493.45	64,256.89
Intangible assets	-	-
Financial assets		
Other financial assets	777.69	-
Other non-current assets	10,522.04	7,367.99
<b>Total non-current assets</b>	<b>1,76,374.41</b>	<b>1,46,835.23</b>
<b>Current assets</b>		
Inventories	93.00	57.38
Financial assets		
Trade receivables	3,254.98	1,776.47
Cash and cash equivalents	727.46	63.07
Other financial assets	3,806.00	-
Other current assets	58.10	116.05
<b>Total current assets</b>	<b>7,939.54</b>	<b>2,012.97</b>
<b>TOTAL ASSETS</b>	<b>1,84,313.95</b>	<b>1,48,848.20</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	47,196.11	-
Other equity (including Owner's Net Investment)	1,678.21	19,515.29
<b>Total equity attributable to owners</b>	<b>48,874.32</b>	<b>19,515.29</b>
Non-controlling interests	0.58	-
<b>Total equity</b>	<b>48,874.90</b>	<b>19,515.29</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	52,435.31	85,739.69
Lease liabilities	6,842.16	1,425.81
Other financial liabilities	-	27.07
Deferred tax liabilities (net)	10,864.90	11,520.97
Other non-current liabilities	16,945.90	10,306.51
<b>Total non-current liabilities</b>	<b>87,088.27</b>	<b>1,09,020.05</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	1,743.10	472.14
Lease liabilities	349.48	238.95
Trade payables		
Total outstanding dues of micro and small enterprises	129.00	0.59
Total outstanding dues of creditors other than micro and small	893.70	924.99
Other financial liabilities	44,489.01	18,345.64
Other current liabilities	746.49	325.31
Provisions	-	5.24
<b>Total current liabilities</b>	<b>48,350.78</b>	<b>20,312.86</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,84,313.95</b>	<b>1,48,848.20</b>

NTPC RE GROUP

**SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF PROFIT AND LOSS**

for the years ended 31 March 2023 and 31 March 2022

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>		
Revenue from operations	14,497.09	9,104.21
Other income	78.18	78.22
<b>Total income</b>	<b>14,575.27</b>	<b>9,182.43</b>
<b>Expenses</b>		
Employee benefits expense	129.10	76.80
Finance costs	4,700.64	2,530.49
Depreciation and amortization expenses	4,564.83	2,827.62
Other expenses	1,271.83	1,078.53
<b>Total expenses</b>	<b>10,666.40</b>	<b>6,513.44</b>
<b>Profit before tax</b>	<b>3,908.87</b>	<b>2,668.99</b>
<b>Tax expense</b>		
Current tax	0.06	0.38
Deferred tax	(656.07)	1,721.19
<b>Total tax expense</b>	<b>(656.01)</b>	<b>1,721.57</b>
<b>Profit for the year</b>	<b>4,564.88</b>	<b>947.42</b>
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<b>4,564.88</b>	<b>947.42</b>
<b>Profit attributable to:</b>		
Owners of the parent company	4,564.79	947.42
Non-controlling interest	0.09	-
<b>Total comprehensive income attributable to:</b>		
Owners of the parent company	4,564.79	947.42
Non-controlling interest	0.09	-

NTPC RE GROUP

**SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF CASH FLOWS**  
for the years ended 31 March 2023 and 31 March 2022

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,908.87	2,668.99
<b>Adjustment for:</b>		
Depreciation, amortisation and impairment expense	4,564.83	2,827.62
Provisions	-	5.18
On account of government grants	(443.98)	(255.85)
Finance costs	4,634.41	2,515.91
Unwinding of discount on vendor liabilities	66.23	14.58
Interest income/Late payment Surcharge	(27.34)	(23.26)
Provisions written back	(5.24)	(1.26)
	8,788.91	5,082.92
<b>Operating profit before working capital changes</b>	<b>12,697.78</b>	<b>7,751.91</b>
<b>Adjustment for:</b>		
Trade receivables	(1,451.48)	(144.69)
Inventories	(35.62)	(2.27)
Trade payables, provisions, other financial liabilities and other liabilities	(3,655.84)	112.87
Other financial assets and other assets	(135.94)	(973.46)
	(5,278.88)	(1,007.55)
<b>Cash generated from operations</b>	<b>7,418.90</b>	<b>6,744.36</b>
Income taxes (paid) / refunded	(11.46)	(1.16)
<b>Net cash from/(used in) operating activities - A</b>	<b>7,407.44</b>	<b>6,743.20</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, intangible assets	(28,692.53)	(44,741.39)
Interest income/Late payment Surcharge	0.31	7.82
Govt. Grant received	3,845.79	-
Income tax paid on income from investing activities	(0.05)	-
<b>Net cash from/(used in) investing activities - B</b>	<b>(24,846.48)</b>	<b>(44,733.57)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non-current borrowings	70,333.91	47,305.27
Repayment/adjustment of non-current borrowings	(1,02,378.03)	(10,880.00)
Payment of lease obligations	(620.65)	(113.24)
Interest paid	(9,494.49)	(3,706.79)
Equity contribution received	47,196.11	-
Other changes in owner's net investment	13,066.58	5,377.57
<b>Net cash from/(used in) financing activities - C</b>	<b>18,103.43</b>	<b>37,982.81</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>664.39</b>	<b>(7.56)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>63.07</b>	<b>70.63</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>727.46</b>	<b>63.07</b>

## GENERAL INFORMATION

### Registered Office of our Company

NTPC Bhawan, Core -7,  
SCOPE Complex, 7 Institutional Area,  
Lodi Road, New Delhi-110 003, Delhi, India

### Corporate Office of our Company

Renewable Building Netra Complex,  
E3 Main Market Road, Ecotech II,  
Udyog Vihar,  
Gautam Buddha Nagar, Noida-201 306, Uttar Pradesh, India

### Company Registration Number and Corporate Identity Number

**Corporate Identity Number:** U40100DL2022GOI396282

**Company Registration number:** 396282

### Address of the Registrar of Companies

Our Company is registered with the RoC which is situated at the following address:

4th Floor, IFCI Tower  
61, Nehru Place  
New Delhi – 110019  
Delhi, India

### Board of Directors

The Board of our Company as on the date of this Red Herring Prospectus comprises the following:

Name	Designation	DIN	Address
Gurdeep Singh	Chairman & Managing Director	00307037	A-5, Niti Bagh, Delhi-110049, Delhi, India
Jaikumar Srinivasan	Director (Finance)	01220828	151/153 Madan Lal Block, Khel Gaon, Asian Game Village, New Delhi, Gautam Nagar, South Delhi – 110 049, Delhi, India
Shanmugha Sundaram Kothandapani	Director (Projects)	10347322	Flat No. 10-2-241/1/C, Laxmi Towers, Road No-06, Secunderabad, Maredpalle, Nehrunagar, Hyderabad – 500026, Telangana, India
Dr Viveka Nand Paswan	Additional Director (Independent)	09397615	Madhuban, PO Madanpur, Basatpur, Darbhanga, Bihar – 847101, India
Bimal Chand Oswal	Additional Director (Independent)	03286483	Dhubri Medical Hall, Netaji Subhas Road, Dhubri, Assam – 783301, India
Sajal Jha	Additional Director (Independent)	09402663	B V Couleaje, Sheakpura Bagheecha Rukanpura, Patna, Bihar - 800014

For further details of our Board of Directors, see “*Our Management – Board of Directors*” on page 252.

### Company Secretary and Compliance Officer

Manish Kumar is the Company Secretary and Compliance Officer of our Company. The contact details are as follows:

**Name:** Manish Kumar

**Designation:** Company Secretary and Compliance Officer

**Address:** C-327, Sector-P-3, Greater Noida, Kasana,  
Gautam Buddha Nagar - 201310

**Telephone Number:** +91 11 2436 2577  
**E-mail:** manishkumar08@ntpc.co.in

### **Registrar to the Issue**

#### **KFin Technologies Limited**

Selenium Tower B, Plot No.31-32

Financial District Nanakramguda,

Serilingampally Hyderabad 500 032

Telangana, India

**Tel:** +91 40 6716 2222/ 1800 309 4001

**Website:** www.kfintech.com

**E-mail:** ntpcgreen.ipo@kfintech.com

**Investor grievance e-mail:** einward.ris@kfintech.com

**Contact Person:** M. Murali Krishna

**SEBI Registration No.:** INR000000221

### **Investor grievances**

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue-related queries and for redressal of complaints, investors may also write to the BRLMs.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the names and addresses of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

### **Book Running Lead Managers**

#### **IDBI Capital Markets & Securities Limited**

6th Floor, IDBI Tower

WTC Complex

Cuffe Parade

Mumbai – 400 005, Maharashtra, India

**Tel:** +91 22 4069 1953

**E-mail:** ngel.ipo@idbicapital.com

**Investor Grievance E-mail:**

redressal@idbicapital.com

**Website:** www.idbicapital.com

**Contact Person:** Indrajit Bhagat / Drashti Dugar

**SEBI Registration Number:** INM000010866

#### **HDFC Bank Limited**

Investment Banking Group,

Unit No. 701, 702 and 702-A

7th Floor, Tower 2 and 3, One International Centre,

Senapati Bapat Marg, Prabhadevi, Mumbai – 400 013

Maharashtra, India

**Tel:** +91 22 3395 8233

**E-mail:** ntpcgreen.ipo@hdfcbank.com

**Investor grievance e-mail:**

investor.redressal@hdfcbank.com

**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)

**Contact Person:** Sanjay Chudasama/ Bharti Ranga

**SEBI Registration Number:** INM000011252

**IIFL Capital Services Limited**

*(formerly known as IIFL Securities Limited)*

24th floor, One Lodha Place,  
Senapati Bapat Marg, Lower Parel (West)  
Mumbai – 400 013  
Maharashtra, India  
**Tel:** +91 22 4646 4728  
**E-mail:** ngel.ipo@iiflcap.com  
**Investor grievance e-mail:** ig.ib@iiflcap.com  
**Website:** www.iiflcap.com  
**Contact Person:** Mansi Sampat/ Pawan Jain  
**SEBI Registration Number:** INM000010940

**Nuvama Wealth Management Limited**

801 - 804, Wing A, Building No 3,  
Inspire BKC, G Block  
Bandra Kurla Complex, Bandra East  
Mumbai – 400 051  
Maharashtra, India  
**Tel:** +91 22 4009 4400  
**E-mail:** ngelipo@nuvama.com  
**Investor grievance e-mail:**  
customerservice.mb@nuvama.com  
**Website:** www.nuvama.com  
**Contact Person:** Pari Vaya  
**SEBI Registration Number:** INM000013004

**Syndicate Members**

**HDFC Securities Limited**

iThink Techno Campus Building-B,  
“Alpha”, Office 8, Opposite Crompton Greaves,  
Near Kanjurmarg station, Kanjurmarg (East),  
Mumbai-400 042, Maharashtra, India  
**Telephone number:** 022 3075 3400  
**Email:** [customercare@hdfcsec.com](mailto:customercare@hdfcsec.com)  
**Website:** [www.hdfcsec.com](http://www.hdfcsec.com)  
**Contact person:** Dipesh Arjun Kale  
**SEBI registration number:** INZ000186937

**Nuvama Wealth Management Limited**

801 - 804, Wing A, Building No 3,  
Inspire BKC, G Block  
Bandra Kurla Complex, Bandra East  
Mumbai – 400 051  
Maharashtra, India  
**Tel:** +91 22 4009 4400  
**Email:** IBLegal.Compliance@nuvama.com / ngelipo@nuvama.com  
**Attention:** Bhavana Kapadia

**Inter-se allocation of responsibilities of the Book Running Lead Managers**

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc. Due diligence of our Company's operations/management/business /legal etc. Drafting and design of the Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of the Red Herring Prospectus, the Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	BRLMs	IDBI Capital
2.	Drafting and approval of statutory advertisement	BRLMs	IDBI Capital

Sr. No.	Activity	Responsibility	Co-ordinator
3.	Drafting and approval of all publicity material other than statutory advertisements including corporate advertisements, brochures, filing of media compliance report with SEBI, etc.	BRLMs	Nuvama
4.	Appointment of Registrar to the Issue, printer to the Issue, and advertising agency (including coordination for their agreements)	BRLMs	IDBI Capital
5.	Appointment of all other intermediaries and including co-ordination for all other agreements and co-ordination for opening of escrow account, public issue account, refund account and share escrow account	BRLMs	Nuvama
6.	Preparation of road show presentation	BRLMs	IIFL
7.	Preparation of frequently asked questions for the road show team	BRLMs	HDFC
8.	International institutional marketing of the Issue, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• International institutional marketing strategy;</li> <li>• Finalizing the list and division of international investors for one-to-one meetings; and</li> <li>• Finalizing international road show and investor meeting schedule.</li> </ul>	BRLMs	IIFL
9.	Domestic institutional marketing of the Issue, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• Domestic institutional marketing strategy;</li> <li>• Finalizing the list and division of domestic investors for one-to-one meetings; and</li> <li>• Finalizing domestic road show and investor meeting schedule.</li> </ul>	BRLMs	Nuvama
10.	Conduct non-institutional and retail marketing of the Issue, which will cover, <i>inter-alia</i> : <ul style="list-style-type: none"> <li>• Finalising media, marketing, public relations strategy and publicity budget</li> <li>• Formulating strategies for marketing to non-institutional investors</li> <li>• Finalising brokerage, collection centres</li> <li>• Finalising centres for holding conferences etc.</li> <li>• Follow-up on distribution of publicity and Issue material including form, Red Herring Prospectus/ Prospectus and deciding on the quantum of the Issue material.</li> </ul>	BRLMs	HDFC
11.	Managing anchor book related activities, coordination with Stock Exchanges for anchor intimation, submission of letters regulators post completion of anchor allocation, book building software, bidding terminals and mock trading.	BRLMs	Nuvama
12.	Managing the book and finalization of pricing in consultation with our Company	BRLMs	IIFL
13.	Post bidding activities including management of escrows accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Issue, intimation of allocation and dispatch of refund to Bidders, etc.  Post-Issue activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Issue and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable.	BRLMs	HDFC

Sr. No.	Activity	Responsibility	Co-ordinator
	Co-ordination with SEBI for submission of all post Issue reports including the initial and final post Issue report to SEBI.		

### Legal Counsel to the Company as to Indian Law

#### J. Sagar Associates

B-303, 3rd Floor, Ansal Plaza  
Hudco Place, August Kranti Marg  
New Delhi – 110049  
Delhi, India

One Lodha Place, 27<sup>th</sup> Floor,  
Senapati Bapat Marg,  
Lower Parel, Mumbai – 400013,  
Maharashtra, India

### Statutory Auditors of our Company

#### M/s P.R.Mehra & Co.

901, New Delhi House,  
Barakhamba Road,  
Connaught Place,  
New Delhi 110001

**E-mail:** [prmdg@prmehra.com](mailto:prmdg@prmehra.com), [lpsharma1938@gmail.com](mailto:lpsharma1938@gmail.com), [a.malhotra56@gmail.com](mailto:a.malhotra56@gmail.com)

**Telephone:** 91 011 4316 8107, 91 99100 38856, 91 98111 59754

**Firm registration number:** 000051N

**Peer review certificate number:** 015931

### Changes in Auditors

Except as disclosed below, there has been no change in our Statutory Auditors in the three years preceding the date of this Red Herring Prospectus.

Particulars	Date of change	Reasons for change
<b>M/s P.R. Mehra &amp; Co.</b> 901, New Delhi House, 27 Barakhamba Road, Connaught Place, New Delhi 110001 <b>E-mail:</b> a.malhotra@prmehra.com, a.malhotra56@gmail.com <b>Telephone:</b> +01 9811159754 <b>Firm registration number:</b> 000051N <b>Peer review certificate number:</b> 015931	September 21, 2023	Appointment as statutory auditors of our Company
<b>Rasool Singhal &amp; Co</b> A-176 Surajmal Vihar New Delhi – 110092 <b>Email:</b> rasoolsinghalandco@gmail.com <b>Tel:</b> 9810041371, 0120-4207878 <b>Firm registration number:</b> 500015N <b>Peer review certificate number:</b> 014813	September 21, 2023	Completion of term

### Bankers to the Company

**Axis Bank Limited**  
B-21 and B-22, Sector-16  
Noida-201 301

**State Bank of India**  
CAG Delhi Branch,  
Parsvanth Capital Towers, 5<sup>th</sup> Floor,



Telephone: +91 9582800221,  
+91 9582800221  
Email: noida.branchhead@axisbank.com  
Website: www.axisbank.com  
Contact Person: Pinak Kumar Mukherjee (Branch  
head)

Bhai Veer Singh Marg, Gole Market, Delhi-100001  
Telephone: +91 11 2347 5510,  
+91 11 2345 5522  
Email: [sbi17313@sbi.co.in](mailto:sbi17313@sbi.co.in), am1.cagdel@sbi.co.in  
Website: www.sbi.co.in  
Contact Person: Shikha Baishya, Chief Manager

## **Bankers to the Issue**

### ***Escrow Collection Bank, Refund Bank and Sponsor Bank***

#### **ICICI Bank Limited**

Capital Market Division,  
5th Floor, HT Parekh Marg,  
Churchgate, Mumbai - 400020  
**Telephone number:** 022- 68052182  
**E-mail:** ipocmg@icicibank.com  
**Website:** www.icicibank.com  
**Contact Person:** Varun Badai  
**SEBI Registration Number:** INBI00000004

### ***Public Issue Account Bank and Sponsor Bank***

#### **Axis Bank Limited**

Axis House", 6th Floor,  
C-2, Wadia International Centre,  
Pandurang Budhkar Marg,  
Worli, Mumbai - 400 025  
**Telephone number:** (Direct) 022 24253672  
**E-mail:** vishal.lade@axisbank.com  
**Website:** www.axisbank.com  
**Contact Person:** Vishal M. Lade  
**SEBI Registration Number:** INBI00000017

## **Designated Intermediaries**

### **Self-Certified Syndicate Banks**

The list of SCSBs notified by SEBI for the ASBA process is available at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder (other than an UPI Bidders using the UPI mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms is available at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) on the SEBI website, or at such other websites as may be prescribed by SEBI from time to time.

### **Syndicate SCSB branches**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the Members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35>, as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

## **SCSBs and mobile applications enabled for UPI Mechanism**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications (apps) using the UPI handles whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43), respectively and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

## **Registered Brokers**

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [https://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?](https://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?) and [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

## **Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx> and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites as updated from time to time.

## **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx> and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), or such other websites as updated from time to time.

## **Monitoring Agency**

Our Company has, in compliance with Regulation 41 of the SEBI ICDR Regulations, appointed CARE Ratings Limited as the Monitoring Agency for monitoring the utilisation of the Gross Proceeds. The details of the Monitoring Agency are as follows:

CARE Ratings Limited

**Address:** 4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai-400002

**Tel:** +91 120 4452000

**E-mail:** [pankaj.sharma@careedge.in](mailto:pankaj.sharma@careedge.in)

**Contact person:** Pankaj Sharma

**Website:** [www.careratings.com](http://www.careratings.com)

**SEBI registration no:** IN/CRA/004/1999

For details in relation to the proposed utilisation of the Issue Proceeds, see the section titled “*Objects of the Issue*” on page 124.

## **Appraising entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

## **Grading of the Issue**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

## **Credit rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

## **Debenture trustees**

As this is an Issue consisting only of Equity Shares, the appointment of debenture trustees is not required.

## **Green shoe option**

No green shoe option is contemplated under the Issue.

## **Experts**

Except as stated below, our Company has not obtained any expert opinions:

- (a) Our Company has received written consent dated November 12, 2024 from P.R. Mehra & Co., Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) the examination report dated October 30, 2024 relating to the Restated Consolidated Financial Information as at and for the six month period ended September 30, 2024 and September 30, 2023, the Fiscal ended March 31, 2024 and for the period from April 7, 2022 to March 31, 2023; and (ii) the statement of tax benefits dated November 6, 2024 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.
- (b) Our Company has received written consent dated September 18, 2024 from SK Mehta & Co, Chartered Accountants and Varma & Varma, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the erstwhile statutory auditors of our Corporate Promoter, NTPC Limited, and in respect of (i) the special purpose audit report dated September 9, 2024 relating to the Special Purpose Carved-Out Combined Financial Statements as at and for the Fiscals ended March 31, 2023 and March 31, 2022 and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.
- (c) Our Company has received written consent dated November 11, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated November 11, 2024, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.
- (d) Our Company has also received written consent dated November 12, 2024, from the independent chartered accountant, namely PVAR & Associates, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

## **Filing**

A copy of the Draft Red Herring Prospectus has been filed electronically on the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance

with the master circular for Issue of Capital and Disclosure Requirements bearing number SEBI/HO/CFD/ PoD-2/P /CIR/2023/00094 dated June 21, 2023. It was filed with SEBI at:

### **Securities and Exchange Board of India**

SEBI Bhavan, Plot No. C4 A, 'G' Block  
Bandra Kurla Complex  
Bandra (E), Mumbai 400 051  
Maharashtra, India

A copy of this Red Herring Prospectus, along with the material contracts and documents has been filed under Section 32 of the Companies Act with the RoC and a copy of the Prospectus will be delivered for filing under Section 26 of the Companies Act with the RoC through the electronic portal at <https://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Book Building Process**

The Book Building Process, in the context of the Issue, refers to the process of collection of Bids from Investors on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, the Employee Discount (if any) and the minimum Bid Lot which will be decided by our Company, in consultation with the BRLMs and, will be advertised in all editions of Financial Express, an English national newspaper and all editions of Jansatta, a Hindi national newspaper (Hindi also being the regional language of Delhi where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/ Issue Closing Date. For details, please refer to the section titled "*Issue Procedure*" on page 572.

**All Bidders, other than Anchor Investors, shall participate in the Issue mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors, other Eligible Employees Bidding in the Employee Reservation Portion and Eligible Shareholders Bidding in the Shareholder Reservation Portion can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, except for allocation to Retail Individual Bidders, Non-Institutional Bidders and the Anchor Investors, Allocation in the Issue will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in initial public offerings whose application amount is up to ₹ 0.50 million shall use UPI Mechanism.

Each Bidder, by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

**The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

For further details on the method and procedure for Bidding and Book Building Process, please refer to the sections titled "*Terms of the Issue*", "*Issue Structure*" and "*Issue Procedure*" on pages 560, 567 and 572, respectively.

Bidders should note the Issue is also subject to: (i) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLMs to manage this Issue and procure Bids for this Issue.

### Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)*

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitment is provided for indicative purposes only and will be finalised after determination of Issue Price and finalisation of Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee will accept and enter into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

**Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.**

## CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Red Herring Prospectus, is set forth below. Our Company is in compliance with the Companies Act, 2013 with respect to the issuance of securities, since its incorporation till the date of filing of this Red Herring Prospectus.

*(in ₹, except share data)*

		Aggregate value at face value	Aggregate value at Issue Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>		
	10,000,000,000 Equity Shares bearing face value of ₹ 10 each	100,000,000,000	-
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	7,500,000,000 Equity Shares bearing face value of ₹ 10 each	75,000,000,000	-
<b>D</b>	<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>		
	Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 100,000.00 million <sup>(2) (3)</sup>	[●]	[●]
	<i>Which includes:</i>		
	- Employee Reservation Portion of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,000.00 million <sup>(3)</sup>	[●]	[●]
	- Shareholders' Reservation Portion of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 10,000.00 million	[●]	[●]
	Net Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 88,000.00 million	[●]	[●]
<b>E</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares bearing face value of ₹ 10 each*#	[●]	-
<b>F</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		Nil
	After the Issue*		[●]

\* To be included upon finalization of the Issue Price.

# Assuming full subscription in the Issue

<sup>(1)</sup> For details in relation to the changes in the authorized share capital of our Company since incorporation, please refer to the section titled "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 243.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board of Directors dated September 9, 2024 and our Shareholders pursuant to special resolution dated September 10, 2024

<sup>(3)</sup> Unless the Employee Reservation Portion is under-subscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 0.20 million (net of Employee Discount). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid for a value in excess of ₹ 0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Further, undersubscription, if any, in the Employee Reservation Portion or the Shareholders Reservation Portion, may be added to other reserved category and the unsubscribed portion, if any, after such inter-se adjustments among such reserved categories shall be added to the Net Issue. Our Company, in consultation with the BRLMs, may offer a discount of up to [●] % on the Issue Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/ Issue Opening Date. For further details, see the sections titled "Issue Procedure" and "Issue Structure" on pages 572 and 567 respectively.

<sup>(4)</sup> The Shareholders Reservation Portion shall not exceed [●]% of the post-Issue paid-up Equity Share capital, and in accordance with the SEBI ICDR Regulations shall not exceed 10% of the size of the Issue. For further details, see "Issue Structure" on page 567.

### Notes to capital structure

#### 1. Equity share capital history of our Company

a. The history of the equity share capital of our Company is set out in the table below:

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees <sup>#</sup>		Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up Equity Share capital (₹)
April 7, 2022	50,000	<b>No. of Equity Shares of face value of ₹ 10 allotted</b>	<b>Name of allottees</b>	10	10	Cash	Allotment pursuant to the initial subscription to MoA <sup>(1)</sup>	50,000	500,000
		49,300	NTPC Limited						
		100	Chandan Kumar Mondol* (nominee of NTPC Limited)						
		100	Mohit Bhargava* (nominee of NTPC Limited)						
		100	Vinay Kumar* (nominee of NTPC Limited)						
		100	Sangeeta Kaushik* (nominee of NTPC Limited)						
		100	Avnish Srivastava* (nominee of NTPC Limited)						
		100	Aditya Dar* (nominee of NTPC Limited)						
		100	Renu Narang* (nominee of NTPC Limited)						
February 28, 2023	4,119,561,035	<b>No. of Equity Shares of face value of ₹ 10 allotted</b>	<b>Name of allottees</b>	10	10	Cash	Rights issue	4,119,611,035	41,196,110,350
		4,119,561,035	NTPC Limited						
March 24, 2023	600,000,000	<b>No. of Equity Shares of face value of ₹ 10 allotted</b>	<b>Name of allottees</b>	10	10	Cash	Rights issue	4,719,611,035	47,196,110,350
		600,000,000	NTPC Limited						
March 28, 2024	1,000,000,000	<b>No. of Equity Shares of face value of ₹ 10 allotted</b>	<b>Name of allottees</b>	10	10	Cash	Rights issue	5,719,611,035	57,196,110,350
		1,000,000,000	NTPC Limited						

Date of allotment of equity shares	Number of equity shares allotted	Details of allottees <sup>#</sup>		Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up Equity Share capital (₹)
		No. of Equity Shares of face value of ₹ 10 allotted	Name of allottees						
September 7, 2024	1,780,388,965			10	10	Cash	Rights issue	7,500,000,000	75,000,000,000
		1,780,388,965	NTPC Limited						

(1) Our Company was incorporated on April 7, 2022. The date of subscription to the Memorandum of Association was March 22, 2022, and the allotment of Equity Shares pursuant to such subscription was taken on record by our Board on May 26, 2022.

\* Equity Shares held by aforementioned nominee shareholders (“**Original Nominee Shareholders**”) pursuant to subscription of MOA have been transferred to other nominee shareholders of NTPC Limited, from time to time. Following are the details of transfers made by Original Nominee Shareholders: (a) 100 Equity Shares each held by Chandan Kumar Mondol and Vinay Kumar, were transferred to Jaikumar Srinivasan and Arun Kumar, respectively, on February 17, 2023; (b) 100 Equity Shares held by Mohit Bhargava were transferred to Ritu Arora on March 20, 2024; (c) 100 Equity Shares each held by Avnish Srivastava and Aditya Dar were transferred to M.A. Ansari and Ajay Dua, respectively, on July 5, 2024. Subsequently, 100 Equity Shares each held by Jaikumar Srinivasan, Ritu Arora, Arun Kumar, Sangeeta Kaushik, M.A. Ansari and Ajay Dua were transferred to NTPC Limited as a joint shareholder along with Virendra Malik, Ritu Arora, Arun Kumar, Rashmi Aggarwal, Pooja Shukla and Rachana Singh Bahl, respectively on August 26, 2024.

<sup>#</sup> Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

- i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and
- ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.



**b. Secondary transactions of Equity Shares**

There have been no transactions of Equity Shares by the shareholders of our Company since the incorporation of our Company.

**2. Preference share capital history of our Company**

As on the date of this Red Herring Prospectus, our Company does not have any outstanding preference share capital.

**3. Shares issued for consideration other than cash or bonus or out of revaluation reserves**

Our Company has not issued any Equity Shares or Preference Shares for consideration other than cash or bonus shares or out of revaluation reserves, since its incorporation.

**4. Issue of shares pursuant to schemes of arrangement**

As of the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares in terms of any scheme of arrangement approved under Sections 230-234 of the Companies Act.

**5. Issue of shares which may be at a price lower than the Issue Price in the last year**

Other than as disclosed in “– Notes to Capital Structure – Equity share capital history of our Company”, our Company has not issued any Equity Shares during a period of one year preceding the date of this Red Herring Prospectus at a price which may be lower than the Issue Price.

**6. Details of Shareholding of our Promoter and members of the Promoter Group in our Company**

As on the date of this Red Herring Prospectus, one of our Promoters, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each (inclusive of 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited) equivalent to 100.00 % of the issued, subscribed and paid-up Equity Share capital of our Company.

Our other Promoter, President of India, acting through the Ministry of Power, Government of India, does not hold any Equity Shares in our Company.

(i) All Equity Shares held by our Promoter are in dematerialized form as on the date of this Red Herring Prospectus.

**(ii) Build-up of the shareholding of NTPC Limited in our Company**

The details regarding the equity shareholding of NTPC Limited since incorporation of our Company is set forth in the table below.

Date of allotment/ Transfer	Nature of transaction	No. of equity shares allotted/transferred	Nature of consideration	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Issue equity share capital (%)	Percentage of the post-Issue equity share capital (%)**
April 7, 2022	Allotment pursuant to the initial subscription to MoA <sup>(1)</sup>	50,000 (including 100 Equity Shares allotted to each of Chandan Kumar Mondol, Mohit Bhargava, Vinay Kumar, Sangeeta Kaushik, Avnish Srivastava, Aditya Dar and Renu Narang, as nominees of NTPC Limited)*	Cash	10	10	Negligible	[●]
February 28, 2023	Rights issue	4,119,561,035	Cash	10	10	54.93	[●]
March 24, 2023	Rights issue	600,000,000	Cash	10	10	8.00	[●]
March 28, 2024	Rights issue	1,000,000,000	Cash	10	10	13.33	[●]
September 7, 2024	Rights issue	1,780,388,965	Cash	10	10	23.74	[●]
<b>Total</b>		<b>7,500,000,000<sup>#</sup></b>				<b>100.00</b>	<b>[●]</b>

<sup>(1)</sup> Our Company was incorporated on April 7, 2022. The date of subscription to the Memorandum of Association was March 22, 2022, and the allotment of Equity Shares pursuant to such subscription was taken on record by our Board on May 26, 2022.

\*Equity Shares held by aforementioned nominee shareholders (“**Original Nominee Shareholders**”) pursuant to subscription of MOA have been transferred to other nominee shareholders of NTPC Limited, from time to time. Following are the details of transfers made by Original Nominee Shareholders: (a) 100 Equity Shares each held by Chandan Kumar Mondol and Vinay Kumar, were transferred to Jaikumar Srinivasan and Arun Kumar, respectively, on February 17, 2023; (b) 100 Equity Shares held by Mohit Bhargava were transferred to Ritu Arora on March 20, 2024; (c) 100 Equity Shares each held by Avnish Srivastava and Aditya Dar were transferred to M.A. Ansari and Ajay Dua, respectively, on July 5, 2024. Subsequently, 100 Equity Shares each held by Jaikumar Srinivasan, Ritu Arora, Arun Kumar, Sangeeta Kaushik, M.A. Ansari and Ajay Dua were transferred to NTPC Limited as a joint shareholder along with Virendra Malik, Ritu Arora, Arun Kumar, Rashmi Aggarwal, Pooja Shukla and Rachana Singh Bahl, respectively on August 26, 2024.

<sup>#</sup> Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

\*\* To be updated upon finalisation of the Issue Price and subject to Basis of Allotment

- (iii) All the Equity Shares held by our Corporate Promoter, NTPC Limited, were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- (iv) As on the date of this Red Herring Prospectus, none of the Equity Shares held by NTPC Limited are pledged.
- (v) *Shareholding of our Promoters and Promoter Group as well as the directors of our Corporate Promoter*

The details of the shareholding of our Promoters, the directors of our Corporate Promoter and the members of the Promoter Group (to the extent applicable) as on the date of this Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital**	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	NTPC Limited	7,500,000,000*	100.00%	[●]	[●]

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital**	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
2.	President of India, on behalf of the Ministry of Power, Government of India	Nil	Nil	Nil	Nil
<b>Total</b>		<b>7,500,000,000*</b>	<b>100.00%</b>	[●]	[●]

\* Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

\*\* To be updated upon finalisation of the Issue Price and subject to Basis of Allotment

(vi) Except as disclosed in “– Details of Shareholding of our Promoter and members of the Promoter Group in our Company – Build-up of the shareholding of NTPC Limited in our Company” on page 116, none of our Promoters, members of the Promoter Group, directors of our Corporate Promoter, NTPC Limited, the Directors of our Company, nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

(vii) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, directors of our Corporate Promoter, NTPC Limited, our Directors or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Red Herring Prospectus.

(viii) **Details of minimum Promoters’ contribution and applicable lock in**

Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Corporate Promoter, NTPC Limited, shall be considered as minimum promoters’ contribution and locked-in for a period of three years or any other period as may be prescribed under applicable law, from the date of Allotment (“**Promoter’s Contribution**”). NTPC Limited’s shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment. As on the date of this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares, equivalent to 100.00 % of the issued, subscribed and paid-up Equity Share capital of our Company, the required portion of which are eligible for Promoters’ Contribution.

The details of Equity Shares which will be locked-in for minimum Promoter’s contribution for a period of three years, from the date of Allotment as Promoter’s Contribution are as provided below:

Name of the Promoter	Number of Equity Shares held	Number of Equity Shares locked-in**	Date of allotment / transfer	Face value per Equity Share (₹)	Allotment/ acquisition price per Equity Share (₹)	Nature of transaction	% of the post-Issue paid-up Equity Share capital, on a fully diluted basis	Date up to which Equity Shares locked-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

\*\* Subject to finalisation of Basis of Allotment.

Our Corporate Promoter, NTPC Limited, has given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoter’s Contribution. Our Corporate Promoter, NTPC Limited, has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter’s Contribution from the date of this Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not and shall not consist of:

- (i) Equity Shares acquired during the three years preceding the date of this Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Red Herring Prospectus pursuant to conversion from a partnership firm; and
- (iv) Equity Shares held by the Promoter that are subject to any pledge or any other form of encumbrance.

**(ix) *Details of share capital locked-in for six months or any other period prescribed under applicable law***

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue equity share capital of our Company will be locked-in for a period of six months from the date of Allotment in the Issue including any unsubscribed portion, except the Promoters' Contribution which shall be locked in as above

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Corporate Promoter, NTPC Limited which are locked-in, may be transferred to members of the Promoter Group or to any new promoters, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the SEBI Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Corporate Promoter, NTPC Limited, and locked-in for a period of one year from the date of Allotment in the Issue or any other period as may be prescribed under applicable law, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the SEBI Takeover Regulations.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Corporate Promoter, NTPC Limited, which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

**(x) *Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

## 7. Shareholding pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of Equity Shares underlying Depository Receipts (VI)	Total no. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights						No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class: Equity	Class : Others	Total	Total as a % of (A+B+C)							
(A)	Promoter and Promoter Group	1*	7,500,000,000	-	-	7,500,000,000	100.00	7,500,000,000	-	7,500,000,000	100.00	-	-	-	-	-	7,500,000,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>1*</b>	<b>7,500,000,000</b>	<b>-</b>	<b>-</b>	<b>7,500,000,000</b>	<b>100.00</b>	<b>7,500,000,000</b>	<b>-</b>	<b>7,500,000,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,500,000,000</b>	

\* Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

8. As of the date of the filing of this Red Herring Prospectus, our Company has one shareholder, our Corporate Promoter, NTPC Limited, who holds the equity shares along with seven nominee holders.

**Details of equity shareholding of the major Shareholders of our Company**

- (a) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up share capital of our Company and the number of shares held by them, as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share Capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	NTPC Limited	7,500,000,000*	100.00	7,500,000,000*	100.00

\* Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

- i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and  
ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

- (b) Set forth below is a list of Shareholders holding 1% or more of the Equity Share capital of our Company and the number of Equity Shares held by them, as of 10 days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share Capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	NTPC Limited	7,500,000,000*	100.00	7,500,000,000*	100.00

\* Currently, as on the date on this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-

- i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and  
ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.

- (c) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share Capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	NTPC Limited	4,719,611,035*	100.00	4,719,611,035*	100.00

\*includes 100 Equity Shares of face value of ₹ 10 each individually held by Jaikumar Srinivasan, Mohit Bhargava, Arun Kumar, Sangeeta Kaushik, Avnish Srivastava, Aditya Dar and Renu Narang, as nominees of NTPC Limited

- (d) Set forth below is a list of Shareholders holding 1% or more of the issued and paid-up Equity Share capital of our Company and the number of Equity Shares held by them, as of two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share Capital (%)	Number of Equity Shares on a fully diluted basis	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	NTPC Limited	50,000*	100.00	50,000*	100.00

*\*includes 100 Equity Shares of face value of ₹ 10 each individually held by Chandan Kumar Mondol, Mohit Bhargava, Vinay Kumar, Sangeeta Kaushik, Avnish Srivastava, Aditya Dar and Renu Narang, as nominees of NTPC Limited*

9. Except for the allotment of Equity Shares pursuant to the Issue, there will be no further issue of specified securities whether by way of public issue, rights issue, preferential issue, qualified institutions placement, bonus issue or otherwise, during the period commencing from filing of this Red Herring Prospectus with SEBI until the listing of the Equity Shares on the Stock Exchanges or the refund of application monies.
10. Except for the allotment of Equity Shares pursuant to the Issue, there is no proposal or intention or negotiations or consideration by our Company to alter our capital structure by way of split or consolidation of the denomination of the shares or issue of specified securities on a preferential basis or issue of bonus or rights issue or further public offer of specified securities or qualified institutions placement within a period of six months from the Bid/ Issue Opening Date.
11. None of the Directors, Key Managerial Personnel or Senior Management Personnel, hold any Equity Shares in our Company.
12. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
13. Neither our Promoters nor any of the members of our Promoter Group will participate in the Issue.
14. The BRLMs and persons related to the BRLMs or Syndicate Member cannot apply in the Issue under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs.
15. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Red Herring Prospectus.
16. All transactions in specified securities of our Company by our Promoter and members of our Promoter Group between the date of filing of this Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
17. The Promoter and members of our Promoter Group will not receive any proceeds from the Issue.
18. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.
19. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
20. Our Company, the Promoter, the Directors and the BRLMs have not entered into buy-back arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
21. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

22. As on the date of this Red Herring Prospectus, our Company does not have any investors which are directly or indirectly related with the BRLMs and/or their respective associates or affiliates
23. None of the BRLMs or their associates hold any shares of our Company as on the date of filing of this Red Herring Prospectus.
24. As on the date of this Red Herring Prospectus, our Company does not have any employee stock option scheme.



## OBJECTS OF THE ISSUE

The Issue comprises of a fresh issue of up to [●] Equity Shares aggregating up to ₹ 100,000.00 million. The proceeds of the Issue, after deducting the Issue related expenses, are estimated to be ₹ [●] million (“**Net Proceeds**”). For details, see “*Issue Document Summary*” and “*The Issue*” on pages 22 and 94, respectively.

### Net Proceeds

The details of the Net Proceeds are summarised in the following table:

Particulars	Estimated Amount
Issue Proceeds	Up to 100,000.00*
(Less) Issue related expenses in relation to the Fresh Issue <sup>(1)(2)</sup>	[●]
<b>Net Proceeds</b>	<b>[●]</b>

\* Subject to full subscription of the Issue component.

<sup>(1)</sup> For details related to expenses to the Issue, see “ – Issue Expenses ” at page 130.

<sup>(2)</sup> To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Objects of the Net Proceeds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/ prepayment, in full or in part of certain outstanding borrowings availed by NREL; and
2. General corporate purposes.

(collectively, referred to herein as the “**Objects**”).

In addition to the above Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including enhancement of our Company’s visibility, brand image and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake (i) its existing business activities, and (ii) the activities towards which the loans proposed to be repaid or pre-paid from the Net Proceeds

### Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the following manner:

Particulars	Amount which will be financed from Net Proceeds
Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/ prepayment, in full or in part of certain outstanding borrowings availed by NREL	75,000.00
General corporate purposes <sup>(1)</sup>	[●]
<b>Total<sup>(1)</sup></b>	<b>[●]</b>

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

### Proposed schedule of implementation and deployment of Net Proceeds

The following table sets forth the details of the schedule of the expected deployment of the Net Proceeds:

Sr. no.	Particulars	Amount to be deployed from the Net Proceeds in Fiscal	
		2025	2026
1.	Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/	40,000.00	35,000.00

Sr. no.	Particulars	Amount to be deployed from the Net Proceeds in Fiscal 2025	Amount to be deployed from the Net Proceeds in Fiscal 2026
	prepayment, in full or in part of certain outstanding borrowings availed by NREL		
2.	General corporate purposes <sup>(1)</sup>	[●]	[●]
	<b>Total<sup>(1)</sup></b>	<b>[●]</b>	<b>[●]</b>

<sup>(1)</sup> To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

The fund requirements, proposed deployment of funds and the intended use of the Net Proceeds set out above is based on our current business plan and internal management estimates based on current market conditions and other commercial and technical factors, which are subject to change from time to time. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any external/independent agency or any bank or financial institution. We may have to revise our funding requirement on account of various factors, such as financial and market conditions, interest rate fluctuations, access to capital, competitive landscape and other external factors such as changes in the business environment or regulatory climate, which may not be within the control of our management. This may also entail rescheduling of the proposed deployment of the Net Proceeds at the discretion of our management, subject to compliance with applicable laws. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above. For details, see “Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds” on page 58.

Subject to compliance with applicable laws, if the actual utilisation towards the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Issue Proceeds, in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects of the Issue, we may explore a range of options including utilising our internal accruals or undertaking any additional equity and/or debt arrangements. We believe that such alternate arrangements would be available to fund any such shortfalls.

Subject to applicable laws, in case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required and general corporate purposes, which will not exceed 25.00% of the Issue Proceeds, in accordance with the SEBI ICDR Regulations.

#### **Details of the Objects of the Net Proceeds**

##### **1. Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/prepayment, in full or in part of certain outstanding borrowings availed by NREL**

We intend to utilise a portion of our Net Proceeds aggregating to ₹ 75,000.00 million by way of an investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited, in the form of equity or debt or a combination of both or in any other manner as may be decided by our Board, in accordance with Applicable Law, after considering certain commercial and financial factors, for full or partial repayment and/ or prepayment, in full or part, of certain borrowings availed by NREL from banks and financial institutions. The actual mode of such deployment will be finalised at the time of investment. We undertake to make the relevant disclosures to the Stock Exchanges on the finalised the mode of investment into NREL at the appropriate stage, in accordance with applicable law.

Our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL), has entered into various borrowing arrangements, including borrowings in the form of terms loans and various fund based and non-fund based working capital facilities. As of September 30, 2024, we had outstanding borrowings of ₹ 1,70,574.96 million on a consolidated basis. Post repayment/prepayment of the below-mentioned loans, our total borrowings, on a consolidated level, is estimated to reduce to ₹ 95,574.96 million.

The selection of borrowings proposed to be prepaid or repaid amongst the borrowing arrangements availed are based on various factors, including (i) cost, expenses and charges relating to the facility, including applicable interest rates; (ii) any onerous terms and conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil such requirements, or obtain waivers/ consents for fulfilment of such conditions; (iii) terms and conditions of such consents and waivers; (iv) provisions of any laws, rules and regulations governing such borrowings; (v) levy of any prepayment or repayment penalties and the quantum thereof; and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds, as per the requirements of the Company. Given the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and NREL may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. If the Net Proceeds are insufficient for making payments for such prepayment penalties or premiums or interest, such excessive amount shall be met from internal accruals of our Company and NREL, as required, in compliance with applicable law.

We believe that such repayment and/or pre-payment will help reduce NREL's outstanding indebtedness on a standalone basis and in turn our indebtedness on a consolidated basis, debt servicing costs, which will improve our debt to equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company and NREL will improve the ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

*[Remainder of this page has intentionally been left blank]*

The following table provides details of the borrowings availed by our Subsidiary, NTPC Renewable Energy Limited, which are currently proposed to be fully or partially repaid or prepaid (earlier or scheduled) from the Net Proceeds.

S. No	Name of the Lender	Nature of borrowings	Purpose for which the amount was utilised*	Amount sanctioned (in ₹ million)	Principal amount outstanding as on September 30, 2024 (in ₹ million)	Repayment Schedule	Interest Rate as on September 30, 2024 (% p.a.)	Tenure	Pre-payment conditions/ penalty	Date of Original sanction letter	Date of disbursement
1.	Union Bank of India	Rupee Term Loan	For setting up of 220 MW solar project in Shajapur, Madhya Pradesh. <sup>(2)</sup>	8,250.00	5,904.68	34 Equal Semi-Annual Instalments.	8.20	20 Year	NIL, with 30 days' notice period	September 19, 2022	November 24, 2022
2.	Union Bank of India	Rupee Term Loan	Capital Expenditure <sup>(1)</sup>	5,000.00	4,999.98	Bullet Repayment after 5 years from the 1st disbursement	8.20	5 Year	NIL, with 30 days' notice period	September 19, 2022	November 24, 2022
3	UCO Bank	Rupee Term Loan	For setting up of 150MW solar project in Chattargargh, Rajasthan, 320 MW plant at Bhainsara Rajasthan and 200MW plant at Amareshwar, Gujarat <sup>(2)</sup> .	6,000.00	5,195.27	52 Quarterly Instalment	8.20	15 Year	NIL, with 30 days' notice period	December 29, 2021	March 30, 2022
4	Indian Overseas Bank	Rupee Term Loan	For setting up of 105MW solar project in Shajapur, Madhya Pradesh <sup>(2)</sup> .	4,000.00	2,849.10	24 Equal Semi-annual instalments	8.20	15 Year	NIL, with 30 days' notice period	October 12, 2022	July 6, 2023
5	Federal Bank	Rupee Term Loan	Capital Expenditure <sup>(1)</sup>	10,000.00	6,802.97	Bullet Repayments after 7 years from the date of first disbursement	7.84	7 Year	NIL, with 30 days prior notice.	February 22, 2023	June 21, 2023
6	Central Bank of India	Rupee Term Loan	For setting up of 450MW Hybrid project in Dayapar, Gujarat <sup>(2)</sup>	21,370.00	11,254.88	12 Equal Annual instalments	8.25	15 Year	Prepayment charges @2% of the prepaid	July 5, 2023	August 30, 2023

S. No	Name of the Lender	Nature of borrowings	Purpose for which the amount was utilised*	Amount sanctioned (in ₹ million)	Principal amount outstanding as on September 30, 2024 (in ₹ million)	Repayment Schedule	Interest Rate as on September 30, 2024 (% p.a.)	Tenure	Pre-payment conditions/penalty	Date of Original sanction letter	Date of disbursement
									outstanding amount		
7	Punjab National Bank	Rupee Term Loan	Capital Expenditure including refinancing of loans and general corporate purpose <sup>(1)</sup>	20,000.00	19,999.97	12 Equal Annual instalments	7.75	15 Year	NIL	October 18, 2023	November 29, 2023
8	HDFC Bank <sup>#</sup>	Rupee Term Loan	Capital Expenditure <sup>(1)</sup>	20,000.00	20,000.00	12 Equal Annual instalments	7.59	15 Year	NIL, with 30 days' notice period	January 3, 2024	March 19, 2024
9	Axis Bank	Rupee Term Loan	Capital Expenditure including refinancing of loans and general corporate purpose <sup>(1)</sup>	5,000.00	1,585.00	12 Equal Annual instalments	7.94	15 Year	NIL, with 30 days' notice period	June 10, 2024	August 29, 2024
10	Punjab National Bank	Rupee Term Loan	Capital Expenditure including refinancing of loans and general corporate purpose <sup>(1)</sup>	35,000.00	13,455.01	12 Equal Annual instalments	7.94	15 Year	NIL	May 15, 2024	June 26, 2024
<b>Total</b>				<b>1,34,620.00</b>	<b>92,046.86</b>						

Note –

1 The facilities availed by the company is not for the setting up specific project. The company has utilised the facilities for the purpose setting up the several projects under the operational as well as contracted and awarded category.

2. For further details on the projects financed through the earmarked facilities, please see "Our Business- Our Projects" on page 213

\* In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Company has obtained a certificate dated November 12, 2024 from the Statutory Auditor.

# The rupee term loan has been availed by our Material Subsidiary from HDFC Bank Limited, which is also one of the Book Running Lead Managers appointed in connection with the Issue. However, on account of this, HDFC Bank Limited does not qualify as an associate of our Company in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations sine the rupee term loan was provided by HDFC Bank Limited to our Material Subsidiary, NTPC Renewable Energy Limited as part of their ordinary course of lending business.

For the purposes of the Issue, NREL has intimated and has obtained necessary consent from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Issue including consequent actions, such as change in the capital structure, change in shareholding pattern, change in management, etc.

No portion of the Net Proceeds, that will be utilised for repayment/ prepayment, in full or part, of certain borrowings availed by NREL, will be directly or indirectly routed to our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management, Group Companies or associates, if any.

As mentioned above, we propose to repay or pre-pay certain loans obtained from HDFC Bank Limited, one of the Book Running Lead Managers appointed in connection with the Issue, from the Net Proceeds. However, on account of this relationship, HDFC Bank Limited does not qualify as an associate of our Company in terms of in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations since the rupee term loan was provided by HDFC Bank Limited to our Material Subsidiary, NTPC Renewable Energy Limited as part of their ordinary course of lending business.

Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Banking Regulations, as amended or any other applicable law.

## **2. General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ [●] million, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Issue Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds may include, but are not restricted to, funding growth opportunities at our Company or Subsidiary level including but not limited to strategic initiatives, partnerships, joint ventures and acquisitions, capital expenditure, interest payment, business development initiatives, employee and other personnel expenses, rent, administration costs, payment of project costs, both at our Company and Subsidiary level, insurance premiums, repairs and maintenance, payment of taxes and duties, and other similar expenses incurred in the ordinary course of our business or towards any exigencies, subject to compliance with applicable laws.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board or a duly appointed committee, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law. In the event we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) in the subsequent Fiscals.

### **Interim use of Net Proceeds**

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, wherein no lien of any nature shall be created on the funds. Such investments will be approved by our Board from time to time. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company or for any investment in the equity markets.

### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Means of Finance**

We confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations.

## Issue Expenses

The total Issue related expenses are estimated to be approximately ₹ [●] million. The Issue related expenses primarily include fees payable to the legal counsels, fees payable to the Statutory Auditors, brokerage, selling commission and underwriting commission payable to the BRLMs, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Escrow Collection Bank(s), Sponsor Banks' fees, Registrar's fees, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. All charges, fees and expenses associated with and incurred in connection with the IPO shall be borne by our Company. However, expenses in relation to: (i) the filing fees to SEBI; (ii) NSE/BSE charges for use of software for the book building; (iii) payments required to be made to Depositories or the Depository Participants for transfer of shares to the beneficiaries' account; and (iv) payments required to be made to Stock Exchanges for initial processing, filing and listing of the Equity Shares, if any, shall be payable by the Book Running Lead Managers but on a reimbursable basis from our Company as per actuals against an invoice. The expenses in relation to printing and distribution of stationery and cost of preparation of statutory advertisements shall be borne by the BRLMs. All the expenses in relation to organizing road shows will be borne by the BRLMs, except for the tour expenses of our Company and our Corporate Promoter, NTPC Limited's officials.

The break-up for the estimated Issue expenses is set forth below:

Activity	Estimated expenses* (in ₹ million)	As a % of the total estimated Issue expenses	As a % of the total Issue size
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Banker(s) to the Issue, Sponsor Banks. Brokerage underwriting and selling commission and bidding charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Others including but not limited to: 1. Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses; 2. Advertising and marketing expenses; 3. Fees payable to legal counsels; 4. Fees payable to Statutory Auditors/ erstwhile statutory auditors of our Corporate Promoter; 5. Fees payable to the Independent Chartered Accountant/ chartered engineer/ practising company secretary/ other consultant; 6. Fees payable to the industry service provider; and 7. Miscellaneous.	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\*Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

<sup>(1)</sup> Selling commission payable to the SCSBs on the portion for Retail Individual Investors, Non-Institutional Investors, Eligible Employees and Eligible Shareholders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for Retail Individual Investors*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees*	0.25% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	0.15% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Shareholders*	0.15% of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

No processing /uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

<sup>(2)</sup> SCSBs will be entitled to an processing/uploading charges on the valid ASBA Form procured by the members of the Syndicate (including their sub-Syndicate Members), Registered Broker, RTAs or CDPs and submitted to the SCSBs for blocking from Retail Individual Investors, Eligible Employees, Eligible shareholders and Non-Institutional Bidders, as follows:

Portion for Retail Individual Bidders, Non-Institutional Bidders, Eligible Employee and Eligible Shareholders*	Rs.10 per valid Bid cum application (plus applicable taxes)
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\* Based on valid ASBA Forms

The total Processing/Uploading charges payable to SCSBs as mentioned above will be subject to a maximum cap of ₹ 0.50 million (plus applicable taxes). In case the ASBA Processing/Uploading charges payable to SCSBs exceeds ₹ 0.50 million (plus applicable taxes), then the amount payable to SCSBs, would be proportionately distributed based on the number of valid applications such that the total Processing/Uploading charges payable does not exceed ₹ 0.50 million (plus applicable taxes)

- (3) Selling commission on the portion for UPI Bidders (using the UPI mechanism), Non-Institutional Bidders, Eligible Employees and Eligible Shareholders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:

Portion for RIBs*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees*	0.25% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Shareholders*	0.15% of the Amount Allotted (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

- (4) The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined:

- a. For RIBs, Eligible Employees, Eligible Shareholders, and Non-Institutional Bidders (up to ₹0.50 million) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.
- b. For Non-Institutional Bidders (Bids above ₹0.50 million) on the basis of the Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and processing/uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub-Syndicate members and not the SCSB. The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

Processing/uploading charges payable to the Registered Brokers on the portion for UPI Bidders procured through UPI Mechanism, Non-Institutional Bidders, Eligible Employee(s) and Eligible Shareholders which are directly procured by the Registered Broker and submitted to SCSB for processing/uploading, would be as follows:

Portion for RIBs, Non-Institutional Bidders and Eligible Employees and Eligible Shareholders*	₹ 10 per valid application (plus applicable taxes)
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\* Based on valid applications

The total processing/uploading charges payable to Registered Brokers will be subject to a maximum cap of ₹0.50 million (plus applicable taxes). In case the total processing/uploading charges payable to Registered Brokers exceeds ₹0.50 million, then the amount payable to Registered Brokers would be proportionately distributed based on the number of valid applications such that the total selling commission payable does not exceed ₹0.50 million.

Processing/uploading charges for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs	Nil
Sponsor Bank(s)	Sponsor Banks will be entitled to processing/uploading charges of ₹Nil per valid ASBA Form for Bids made by UPI Bidders using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

All such commissions and processing /uploading charges set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Banks Agreement.

The processing/uploading charges for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI RTA Master Circular, in a format as prescribed by SEBI, from time to time and in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022

## Monitoring Utilization of Funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency for monitoring the utilisation of Issue Proceeds, as the Fresh Issue exceeds ₹ 1,000 million. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Issue Proceeds till complete utilization and the Monitoring Agency shall submit the report required under Regulation 41(2) of the



SEBI ICDR Regulations, on a quarterly basis, until such time as the Issue Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Issue Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Issue Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Issue Proceeds that have not been utilised, if any, of such currently unutilised Issue Proceeds. Pursuant to Regulation 18(3) and 32(3) read with part-C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor of our Company and provided to the Monitoring Agency. Further, our Company, on a quarterly basis, shall include the deployment of Issue Proceeds under various heads, as applicable, in the notes to our consolidated financial results. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the Issue Proceeds from the Objects; and (ii) details of category wise variations in the actual utilisation of the Issue Proceeds from the Objects as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report in the annual report, after placing the same before the Audit Committee.

### **Variation in Objects**

In accordance with Section 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects of the Issue, unless our Company is authorised to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Shareholders’ Meeting Notice”) shall specify the prescribed details, provide Shareholders with the facility to vote by electronic means and shall be published in accordance with the Companies Act, 2013 read with the relevant rules. The Shareholders’ Meeting Notice shall simultaneously be published in the newspapers, one in English and one in Hindi (Hindi also being the regional language of the jurisdiction where our Registered Office is situated). Our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Regulation 59 and Schedule XX of the SEBI ICDR Regulations. Further we will ensure compliance with the terms of the exit opportunity for the dissenting shareholders in accordance with “Schedule XX – Conditions/ Manner of Providing Exit Opportunity to Dissenting Shareholders” of SEBI ICDR Regulations and duly follow the process as laid down therein for the ‘conditions of the offer’ relevant date, frequently traded shares, exit price, identifying the eligibility of shareholders for availing the exit offer, manner of providing exit to dissenting shareholders.

### **Appraising agency**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency, in accordance with applicable law.

### **Other confirmations**

There is no proposal whereby any portion of the Net Proceeds will be paid to our Directors, Promoters, members of the Promoter Group or Key Managerial Personnel or Senior Management.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel or Senior Management.

## BASIS FOR ISSUE PRICE

The Floor Price, Price Band and Issue Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10, and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Information and Special Purpose Carved-Out Combined Financial Statements. Prospective investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Consolidated Financial Information*”, “*Special Purpose Carved-Out Combined Financial Statements*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Other Financial Information*” on pages 195, 31, 282, 365, 431 and 429, respectively, to have an informed view before making an investment decision.

### Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

- We are promoted by NTPC Limited, which has a legacy of around five decades, is one of India’s largest power companies, and has experience in operating and maintaining power stations efficiently and in acquiring land for large power projects throughout India. (Source: CRISIL Report, November 2024).
- As of September 30, 2024, our Portfolio consisted of 16,896 MWs including 3,320 MWs operating projects and 13,576 MWs projects contracted and awarded. We are in the process of constructing 36 renewable energy projects in 6 states consisting of 13,576 MWs, contracted and awarded.
- We along with the NTPC Group have a strong track record of developing, constructing and operating renewable power projects, driven by our experienced in-house management and procurement teams. Our superior execution capabilities are demonstrated by 5 decades of successful operations by NTPC Limited. (Source: CRISIL Report, November 2024).
- With strong parent support and diversified portfolio with long term PPA, the Company is able to maintain a healthy interest coverage ratio. (Source: CRISIL Report, November 2024). As of September 30, 2024 and March 31, 2024, our interest coverage ratio was 2.60 times and 2.64 times (on a restated basis), respectively, and, as of March 31, 2023 and March 31, 2022, was 2.80 times and 3.17 times (on a special purpose carved-out basis), respectively.
- We benefit from a strong balance sheet and AAA rating from CRISIL as of May 8, 2024. We believe that our ability to leverage the NTPC Group’s outstanding credit and its long-term relationships with financial institutions will continue to provide us with access to a low cost of capital.
- Our senior management team led by the Board of Directors, have decades of experience in the Indian power industry.

For further details, see “*Our Business –Our Strengths*” on page 203.

### Quantitative factors

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### Basic and diluted earnings per share (“EPS”)

Year/ Period ended	Basic EPS (in ₹)*	Diluted EPS (in ₹)*
Six months period ended September 30, 2024 <sup>@</sup>	0.30	0.30
Six months period ended September 30, 2023 <sup>@</sup>	0.44	0.44
Fiscal ended March 31, 2024	0.73	0.73
Fiscal ended March 31, 2023 <sup>§</sup>	4.66	4.66

\*As certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024.

<sup>@</sup> Not annualised.

<sup>§</sup> The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer of 15 solar/wind renewable energy units (RE Assets) and entire equity shareholding in NREL from NTPC Limited to our Company.

Notes:

- 1) The figures disclosed above are based on the Restated Consolidated Financial Information.

- 2) Basic EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding during the fiscal year/period.
- 3) Diluted EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding and equity shares that could have been issued upon conversion of all dilutive potential equity shares during the fiscal year/period.
- 4) Since the Company was incorporated on April 7, 2022, Basic and Diluted EPS for FY 2023 and FY 2024 have been given.
- 5) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

**I. Price / Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹10 each:**

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2024	[●]	[●]
Based on diluted EPS for Fiscal 2024	[●]	[●]

**II. Industry peer group P/E ratio:**

Particulars	Name of the Company	P/E Ratio
Highest	Adani Green Energy Limited	259.83
Lowest	ReNew Energy Global PLC	47.05
Average		153.44

Source: BSE, Bloomberg

Notes:

- (1) The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed.
- (2) For Adani Green Energy Limited, (P/E) ratio has been computed based on the closing market price of equity shares on BSE Limited (“BSE”) on November 4, 2024 divided by the diluted earnings per share for the year ended March 31, 2024.
- (3) For ReNew Energy, (P/E) ratio has been computed based on the closing market price value for closing price from the NASDAQ Stock Exchange, as of November 4, 2024 divided by the diluted earnings per share for the year ended March 31, 2024. Foreign exchange rate of ₹ 84.105 per USD. (Source RBI reference rate).
- (4) All the financial information for listed industry peers mentioned above is taken as is sourced from the audited consolidated financial statements of the relevant companies for Fiscal 2024, as available on the websites of the stock exchanges

**III. Enterprise Value (EV)/ Operating EBITDA Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:**

Particulars	EV/ Operating EBITDA at the Floor Price (number of times)	EV/ Operating EBITDA at the Cap Price (number of times)
Based on Operating EBITDA for Fiscal 2024	[●]	[●]

**IV. Industry peer group EV/ Operating EBITDA Ratio**

Particulars	Name of the Company	EV/ Operating EBITDA (number of times)
Highest	Adani Green Energy Limited	43.08
Lowest	ReNew Energy Global PLC	13.63
Average		<b>28.36</b>

Source: BSE, Bloomberg

Notes:

- (1) The industry composite has been calculated as the arithmetic average EV/ Operating EBITDA of the industry peer set disclosed.
- (2) For the peers, EV sourced from Bloomberg Market data on the basis of closing price as on November 4, 2024.
- (3) Operating EBITDA has been computed as profit before interest, taxes, depreciation and amortisation, other income and exceptional items for the financial year or during given period.
- (4) All the financial information for listed industry peers mentioned above is taken as is sourced from the audited consolidated financial statements of the relevant companies for Fiscal 2024, as available on the websites of the stock exchanges
- (5) The financial parameters of ReNew Energy Global PLC, listed on Nasdaq, may not be comparable

## V. Return on Net Worth (“RoNW”)

Fiscal	Return on Net Worth (%)**	Weight
Six month period ended September 30, 2024 <sup>(1)*</sup>	2.14%	-
Six month period ended September 30, 2023 <sup>(1)*</sup>	4.09%	-
2024 <sup>(1)</sup>	5.53%	3
2023 <sup>(1)(3)</sup>	3.50%	-
2023 <sup>(2)</sup>	9.34%	2
2022 <sup>(2)</sup>	4.85%	1
<b>Weighted Average</b>	<b>6.69%</b>	

\* Not annualised.

\*\* As certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024.

Notes:

- The figures disclosed above are based on the Restated Consolidated Financial Information.
- The figures disclosed above are based on the Special Purpose Carved-out Combined Financial Statements.
- The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer of RE Asset and entire equity shareholding in NREL from NTPC Limited to our Company. Hence, the figure for FY 2023 has not been considered for calculation of Weighted Average RoNW.
- Return on Net Worth (RoNW) is calculated as profit for the period/year divided by Net Worth as at the end of the year/period.
- Net worth means sum of equity share capital and other equity (including Owner's Net Investment as per special purpose carved out combined financial statements) and excluding non-controlling interest of relevant fiscal/period.
- Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]

## VI. Net Asset Value (“NAV”) per Equity Share

As at	NAV per Equity Share (in ₹)*
As on September 30, 2024	10.92
As on September 30, 2023	10.80
As on March 31, 2024	10.90

\* As certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024.

Notes:

- The figures disclosed above are based on the Restated Consolidated Financial Information.
- Net Asset Value per Equity Share (in ₹) = Net Worth as restated / number of equity shares outstanding at the end of the period/year.
- Net Worth means sum of equity share capital and other equity excluding non-controlling interest.

As at	NAV per Equity Share (in ₹)*
After the completion of the Issue:	
(i) At Floor Price	[●]**
(ii) At Cap Price	[●]**
Issue Price	[●]@

\* As certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024.

\*\* To be computed after finalisation of the Price Band

@ Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

## VII. Comparison with listed industry peers

Name of the company	Face value (per share)	Closing price on November 4, 2024 (₹)	Revenue from Operations (in ₹ million)	EPS (₹)		Operating EBITDA (in ₹ million)	EV/ Operating EBITDA Ratio (x)	NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted					
NTPC Green Energy Limited*	₹ 10.00	NA	19,625.98	0.73	0.73	17,464.70	[●]#	10.90	[●]#	5.53%
<b>PEER GROUP</b>										
Adani Green	₹ 10.00	1,610.95	92,200	6.21	6.20	75,860	43.08	62.08	259.83	12.81%

Name of the company	Face value (per share)	Closing price on November 4, 2024 (₹)	Revenue from Operations (in ₹ million)	EPS (₹)		Operating EBITDA (in ₹ million)	EV/ Operating EBITDA Ratio (x)	NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted					
Energy Limited**										
ReNew Energy Global PLC**	USD 0.0001	466.78	81,948	9.94	9.92	58,648	13.63	290.15	47.05	3.94%

\*The financial information for our Company is based on the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2024.

\*\*The financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial statements of the respective company for the financial year ended March 31, 2024, submitted to the Stock Exchanges and the Nasdaq Stock Market LLC (“Nasdaq”).

#To be included post finalization of the Issue Price.

Notes:

- (1) P/E ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE Limited (“BSE”)/ Nasdaq as on November 4, 2024 divided by the diluted earnings per share for the year ended March 31, 2024. Foreign exchange rate of ₹ 84.105 per USD. (Source RBI reference rate).
- (2) For listed industry peers, EV source from Bloomberg market data on the basis of closing price as on November 4, 2024. EV/ Operating EBITDA ratio for the listed industry peers has been computed as EV source from Bloomberg market data on the basis of closing price as on November 4, 2024 divided by Operating EBITDA for the year ended March 31, 2024.
- (3) Operating EBITDA for listed industry peers the year ended March 31, 2024 has been computed as profit before interest, taxes, depreciation and amortisation, other income and exceptional items for the financial year or during given period.
- (4) RoNW (%) = Return on Net Worth (RoNW) is calculated as profit for the period/ financial year divided by Net Worth as at the end of the year/period. Net Worth means sum of equity share capital and other equity excluding non-controlling interest.
- (5) The financial parameters of ReNew Energy Global PLC, listed on Nasdaq, may not be comparable

### Key performance indicators (“KPIs”)

The KPIs disclosed below are the KPIs pertaining to our Company which have been used historically by our Company to understand and analyse our business performance, which in result, helps us analyse the growth of various verticals in comparison to our peers, as well as other relevant and material KPIs of the business of the Company that have a bearing for arriving at the basis for the Issue Price.

The KPIs disclosed herein below have been approved by a resolution of our Audit Committee dated November 11, 2024. The members of the Audit Committee have verified the details of all KPIs pertaining to our Company, and have confirmed that verified and audited details of the all the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of this Red Herring Prospectus have been disclosed in this section. The KPIs herein have been certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024, which has been included as part of the “Material Contracts and Documents for Inspection” on page 629.

For details of other business and operating metrics disclosed elsewhere in this Red Herring Prospectus, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 195 and 431 respectively

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the utilisation of the Issue Proceeds as per the disclosure made in the section “Objects of the Issue” on page 124, whichever is later, or for such other duration as may be required under the SEBI ICDR Regulations.

(figures in ₹ million, unless stated otherwise)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six month period ended September 30, 2024	Six month period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2023	Fiscal 2022
<b>Operational*</b>						
<b>Installed Capacity / Megawatts Operating (MW) <sup>(3)</sup></b>	<b>3,320</b>	<b>2,711</b>	<b>2,925</b>	<b>2,611</b>	<b>2,611</b>	<b>1,445</b>
Solar	3,220	2,661	2,825	2,561	2,561	1,395
Wind	100	50	100	50	50	50
<b>Megawatts Contracted &amp; Awarded as on <sup>(4)</sup></b>	<b>13,576</b>	<b>8,600</b>	<b>11,571</b>	<b>6,250</b>	<b>6,250</b>	<b>4,766</b>
Solar	10,576	7,050	9,571	5,750	5,750	4,616
Wind	3,000	1,550	2,000	500	500	150
<b>Average CUF for the assets held as on last date of the financial year/period (%)<sup>(5)</sup></b>						
Solar	24.61%	25.04%	23.97%	27.17%	22.74%	19.21%
Wind	28.27%	30.14%	19.78%	16.48%	23.58%	23.66%
<b>Financial</b>						
Revenue from Operations	10,822.91	10,083.21	19,625.98	1,696.90	14,497.09	9,104.21
Total Income	11,327.39	10,211.37	20,376.57	1,706.31	14,575.27	9,182.43
Operating EBITDA <sup>(6)</sup>	9,315.65	9,146.10	17,464.70	1,513.81	13,096.16	7,948.88
Operating EBITDA Margin <sup>(7)</sup> (% of Revenue from Operations)	86.07%	90.71%	88.99%	89.21%	90.34%	87.31%
Profit/(Loss) After Tax (PAT)	1,753.00	2,081.62	3,447.21	1,712.28	4,564.88	947.42
PAT margin % (as % of Revenue from operations) <sup>(8)</sup>	16.20%	20.64%	17.56%	100.91%	31.49%	10.41%
Net Debt/Equity (x) <sup>(9)</sup>	1.91	1.82	1.98	1.09	1.09	4.41
Cash PAT <sup>(10)</sup>	5,331.28	5,190.99	9,874.79	2,211.34	9,129.71	3,775.04
Cash PAT margin (as % of Revenue from operations) <sup>(11)</sup>	49.26%	51.48%	50.31%	130.32%	62.98%	41.46%
Cash RoE (% of average equity) <sup>(12)</sup>	7.39%	10.40%	17.76%	N.A.	26.70%	23.08%
Interest Coverage (x) <sup>(13)</sup>	2.60	2.76	2.64	3.05	2.80	3.17

Figures have not been annualised for the period ended September 30, 2024 and September 30, 2023.

\* All the operational records/reports are based on the certificate issued by Independent Chartered Engineer (ICE).

Notes:

- (1) Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023, Fiscal 2024 and Fiscal 2023. The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer of renewable energy assets and entire shareholding in NTPC Renewable Energy Limited ("NREL") from NTPC Limited to our Company.
- (2) Based on our Special Purpose Carved-out Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023.
- (3) "Megawatts Operating" represents the aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date.
- (4) "Megawatts Contracted & Awarded" represents the aggregate megawatt rated capacity of renewable power plants as of the reported date which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where LoAs have been received
- (5) Average CUF refers to the weighted average of CUF of Installed Capacity in the portfolio as on given date. Capacity Utilisation Factor (CUF) is the quantum of energy the plant is able to generate compared to its maximum rated capacity.

- (6) Operating EBITDA is calculated as earnings before interest, taxes, depreciation and amortisation, other income and exceptional items for the financial year or during given period.
- (7) Operating EBITDA margin calculated as the Operating EBITDA during a given financial/period as a percentage divided by Revenue from Operations
- (8) PAT margin calculated as PAT divided by Revenue from operation for the financial year or during given period. In Fiscal 2023, the company had a tax credit of ₹1,186.90 million due to recognition of deferred tax asset on account of unabsorbed depreciation.
- (9) Net Debt/Equity calculated by subtracting a company's total cash and cash equivalents, bank balances from its total borrowing divided by total equity attributable to shareholders of the Company as at the end of the financial year/period.
- (10) Cash PAT is calculated as cash profit (PAT + depreciation)
- (11) Cash PAT margin is calculated as Cash PAT divided by revenue from operation.
- (12) Cash RoE is calculated as cash profit (PAT + depreciation) divided by average equity for the financial year/during given period. Average equity is the average of opening and closing values of total equity (excluding non- controlling interest and capital reserves & including owner's net investment as per special purpose carve out combined financial statement) for the financial year or during given period.
- (13) Interest Coverage is calculated as EBITDA/finance costs as per statement of profit and loss. EBITDA is calculated as earnings before interest, taxes and depreciation & amortisation.

### Explanation for KPI metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company.

Key Performance Indicators	Information / Explanations
Installed Capacity (MW)	The rated capacity to be installed on the AC side as per the terms of PPA.
Installed Capacity / Megawatts Operating (MW)	Represents the aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date.
Megawatts Contracted & Awarded as on	Represents the aggregate megawatt rated capacity of renewable power plants as of the reported date which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where LoAs have been received. This helps our company in tracking the future projects.
Average CUF for the assets held as on last date of the financial year/period (%)	Average CUF refers to the weighted average of CUF of Installed Capacity in the portfolio as on given date.
Revenue from operations	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance.
Operating EBITDA	Operating EBITDA is an indicator of the operational profitability and financial performance of our business.
Operating EBITDA Margin	Operating EBITDA Margin provides the financial benchmarking against peers as well as to compare against the historical performance of our business.
Profit/(Loss) after tax (PAT)	PAT represents the profit / loss that we make for the financial year or during given period. It provides information regarding the overall profitability of our business
PAT Margin	PAT Margin is an indicator of the overall profitability of our business and provides the financial benchmarking against peer as well as to compare against the historical performance of our business
Net debt / Equity	It a measure of the extent to which our Company can cover net debt and represents net debt position in comparison to our equity position. It is a measure of a company's financial leverage
Cash RoE (% of average equity)	Return on Equity represents how efficiently Company generate cash profits from its shareholders funds.
Interest Coverage	Interest coverage determines how well a company can pay the interest on its outstanding debts.

### Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are

not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

#### **Comparison of KPIs based on additions or dispositions to Company's business**

There are no material acquisitions or dispositions made by our Company during the six-months period ended September 30, 2024, and for the last three fiscals being Financial Years ended March 31, 2024, 2023 and 2022. For the financial year ended March 31, 2023, pursuant to the business transfer agreement dated July 8, 2022 ("BTA"), NTPC Limited transferred its renewable energy assets comprising of 15 renewable energy assets ("RE Assets") and its shareholding in NREL to the Company on February 28, 2023.

For comparative purposes, the Company has prepared Special Purpose Carved-out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023.

#### **Comparison of KPIs of our Company and our listed peers**

While the listed peers mentioned below operate in the same industry as us, and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence. Below are details of the KPIs of our listed peers for and as at the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the six months period ended September 30, 2024 and September 30, 2023.

*[The remainder of this page has intentionally been left blank]*



(figures in ₹ million, unless specified)

Particulars	NTPC Green Energy Limited						ReNew Energy Global PLC					Adani Green Energy Limited				
	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-out Financial Statements <sup>(2)</sup>		Six month period ended September 30, 2024	Six month period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022	Six month period ended September 30, 2024	Six month period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Six month period ended September 30, 2024	Six month period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2023	Fiscal 2022										
<b>Operational*</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Un-audited</b>	<b>Un-audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Un-audited</b>	<b>Un-audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Installed Capacity (MW)</b>	<b>3,320</b>	<b>2,711</b>	<b>2,925</b>	<b>2,611</b>	<b>2,611</b>	<b>1,445</b>	<b>N.A.</b>	<b>8,200</b>	<b>9,100</b>	<b>7,880</b>	<b>7,470</b>	<b>11,184</b>	<b>8,316</b>	<b>10,934</b>	<b>8,086</b>	<b>5,410</b>
Solar	3,220	2,661	2,825	2,561	2,561	1,395	N.A.	4,000	4,500	3,970	3,690	7,393	4,975	7,393	4,975	N.A.
Wind	100	50	100	50	50	50	N.A.	4,200	4,600	3,910	3,780	1,651	1,201	1,401	971	N.A.
Hybrid	-	-	-	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	2,140	2,140	2,140	2,140	N.A.
<b>Megawatts Contracted &amp; Awarded</b>	<b>13,576</b>	<b>8,600</b>	<b>11,571</b>	<b>6,250</b>	<b>6,250</b>	<b>4,766</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
Solar	10,576	7,050	9,571	5,750	5,750	4,616	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Wind	3,000	1,550	2,000	500	500	150	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hybrid	-	-	-	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Average CUF for the assets held as on last date of the financial year/period (%)</b>																
Solar	24.61%	25.04%	23.97%	27.17%	22.74%	19.21%	N.A.	23.10%	24.40%	24.80%	23.10%	23.90%	25.20%	24.50%	24.70%	23.80%
Wind	28.27%	30.14%	19.78%	16.48%	23.58%	23.66%	N.A.	41.30%	26.40%	25.50%	25.40%	35.70%	40.20%	29.40%	25.20%	30.80%
Hybrid	-	-	-	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	42.90%	45.40%	40.70%	35.50%	N.A.
<b>Financial</b>																
Revenue from Operations	10,822.91	10,083.21	19,625.98	1,696.90	14,497.09	9,104.21	N.A.	47,508	81,948	79,328	62,043	58,890	43,820	92,200	77,760	51,330
Total Revenue	11,327.39	10,211.37	20,376.57	1,706.31	14,575.27	9,182.43	N.A.	53,291	96,531	89,309	69,195	64,760	49,790	1,04,600	86,170	55,770
Operating EBITDA	9,315.65	9,146.10	17,464.70	1,513.81	13,096.16	7,948.88	N.A.	36,101	58,648	54,416	36,091	49,260	39,070	75,860	49,900	35,110
Operating EBITDA Margin (% of Revenue from Operations)	86.07%	90.71%	88.99%	89.21%	90.34%	87.31%	N.A.	75.99%	71.57%	68.60%	58.17%	83.65%	89.16%	82.28%	64.17%	68.40%

PAT	1,753.00	2,081.62	3,447.21	1,712.28	4,564.88	947.42	N.A.	6,754	4,147	-5,029	-16,128	11,440	6,940	12,600	9,730	4,890
PAT margins % (as % of Revenue from Operations)	16.20%	20.64%	17.56%	100.91%	31.49%	10.41%	N.A.	14.22%	5.06%	-6.34%	-25.99%	19.43%	15.84%	13.67%	11.29%	9.53%
Net Debt/Equity(x)	1.91	1.82	1.98	1.09	1.09	4.41	N.A.	4.69	5.19	4.08	3.07	5.65	6.67	5.52	6.96	19.36
Cash PAT	5,331.28	5,190.99	9,874.79	2,211.34	9,129.71	3,775.04	N.A.	15,380	21,730	10,872	-2,364	23,550	16,190	31,630	22,730	13,380
Cash PAT margin (as % of Revenue from Operations)	49.26%	51.48%	50.31%	130.32%	62.98%	41.46%	N.A.	32.37%	26.52%	13.71%	-3.81%	39.99%	36.95%	34.31%	29.23%	26.07%
Cash RoE (% of average equity)	7.39%	10.40%	17.76%	N.A.	26.70%	23.08%	N.A.	14.33%	20.49%	9.65%	-2.62%	23.08%	21.25%	36.91%	45.84%	55.59%
Interest Coverage	2.60	2.76	2.64	3.05	2.80	3.17	N.A.	1.75	1.54	1.26	1.04	1.86	1.71	1.71	1.98	1.51

Figures have not been annualised for the six month period ended September 30, 2024 and September 30, 2023.

\* All the operational records/reports of the Company are based on the certificate issued by Independent Chartered Engineer (ICE).

Notes:

'N.A.' represents Not Available

(-) represents Not Applicable

All the financial information for the Company is sourced from the Restated Consolidated Financial Information and Special Purpose Carved-out Combined Financial Statements and calculated on the basis of notes provided under "Key Performance Indicators ("KPIs")".

The financial/operational parameters for the industry peers mentioned above is sourced/derived from CRISIL Report.

(1) Based on Restated Consolidated Financial Information for the six months period ended September 30, 2024, September 30, 2023, Fiscal 2024 and Fiscal 2023.

(2) Based on Special Purpose Carved-out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023.

## Comparison of KPIs based on additions or dispositions to our business

Our Company, a wholly owned subsidiary of NTPC Limited, was incorporated on April 7, 2022. Pursuant to the Business Transfer Agreement dated July 8, 2022 (“BTA”) with our Company, NTPC transferred its renewable energy assets comprising of 15 solar/ wind energy units to NGEL on February 28, 2023. Further, NTPC also transferred its stake in NTPC Renewable Energy Limited (“NREL”) to our Company through a share purchase agreement on February 28, 2023. For further details, see “History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations, any revaluation of assets, etc.” on page 245. The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer of the RE Assets and equity shareholding in NREL from NTPC Limited to our Company.

For comparative purposes, we have prepared Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. The special purpose carved-out combined financial information for Fiscal 2023 and Fiscal 2022 included in this Red Herring Prospectus has been derived from the Special Purpose Carved-Out Combined Financial Statements on page 365.

## VIII. Weighted average cost of acquisition, Floor Price and Cap Price

### a) The price per share of our Company based on the primary/new issue of shares (equity / convertible securities)

Set out below are details of the Equity Shares issued by our Company, excluding options granted under the ESOP Scheme and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s)) and excluding options granted under the ESOP Scheme not vested, in a single transaction or multiple transactions, combined together over a span of rolling 30 days.

Date of allotment	Name of allottee	No. of shares	Face value per equity share	Price per Security	Transaction as a % of pre-issue capital on a fully diluted basis (pursuant to allotment)	Reason for/ Nature of allotment	Nature of consideration
March 28, 2024	NTPC Limited	1,000,000,000	10	10	21.19%	Right Issue	Cash
September 7, 2024	NTPC Limited	1,780,388,965	10	10	31.13%	Right Issue	Cash
<b>Total</b>		<b>2,780,388,965</b>					
<b>Weighted average cost of acquisition<sup>^</sup></b>		<b>10.00</b>					

<sup>^</sup> The above details have been certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate dated November 12, 2024.

### b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group or Shareholders having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction [(excluding gifts)], during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

For further details in relation to the share capital history of our Company, see “Capital Structure” on page 113.

c) *Weighted average cost of acquisition, floor price and cap price*

Based on the disclosures in (a) and (b) above, the weighted average cost of acquisition of the securities compared with the Floor Price and the Cap Price is set forth below:

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Comparison with Floor Price (₹ [●])	Comparison with Cap Price (₹ [●])
Weighted average cost of acquisition of primary issuances as set out in (a) above	10.00	[●]	[●]
Weighted average cost of acquisition of secondary issuances as set out in (b) above	NA	NA	NA

*The above details have been certified by P.R. Mehra & Co., Chartered Accountants, our Statutory Auditors, pursuant to their certificate November 12, 2024.*

**Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) along with our Company's key performance indicators and financial ratios for the six month period ended September 30, 2024, September 30, 2023 Fiscals 2024, 2023 and 2022.**

[●]\*

*\*To be included on finalisation of Price Band*

**Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Issue.**

[●]\*

*\*To be included on finalisation of Price Band*

**The Issue Price is [●] times of the face value of the Equity Shares**

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Investors should read the aforementioned information along with “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Position and Results of Operations*”, “*Restated Consolidated Financial Information*” and “*Special Purpose Carved-Out Combined Financial Statements*” on pages 31, 195, 431, 282 and 365 respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” beginning on page 31 and any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

Date: November 6, 2024

To,

**The Board of Directors**  
**NTPC Green Energy Limited**  
NTPC Bhawan, Core -7,  
SCOPE Complex 7 Institutional Area,  
Lodi Road, New Delhi-110 003, Delhi, India

**Sub: Statement of possible special tax benefits (“the Statement”) available to NTPC Green Energy Limited (“the Company”), its material subsidiary and its shareholders prepared in accordance with the requirement under Schedule VI –Part A -Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the SEBI ICDR Regulations”)**

1. We, **P R Mehra & Co**, Chartered Accountants, are statutory auditors of the Company, have been informed that the Company proposes to file the Red Herring Prospectus (the “**RHP**”) and Prospectus (“**Prospectus**”) with respect to the Issue, with the Registrar of Companies, Delhi and Haryana at New Delhi (“**RoC**”) and subsequently with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and applicable laws, and any other documents or materials to be issued in relation to the Issue (collectively with the RHP and Prospectus, the “**Issue Documents**”).
2. We have received a request from the Company to issue a certificate for onward submission to the Book Running Lead Managers to assist them in conducting and documenting their due diligence of the affairs of the Company in connection with the Issue in respect of special tax benefits (under direct and indirect tax laws in India) together with the report available to the Company, its shareholders and its material subsidiary.
3. We hereby confirm the enclosed statement (“**Statement**”) in the Annexures I & II (together, the “**Annexures**”) prepared and issued by the Company, which provides the possible special tax benefits under Income-tax Act, 1961 (‘**Act**’) presently in force in India viz. the Income-tax Act, 1961, (‘**Act**’), the Income-tax Rules, 1962, (‘**Rules**’), regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, possible special tax benefits under the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 and applicable State Goods and Services Tax Act, 2017 (“**GST Acts**”), the Customs Act, 1962 (“**Customs Act**”) and the Customs Tariff Act, 1975 (“**Tariff Act**”), as amended by the Finance Act 2024 including the relevant rules, notifications and circulars issued there under, applicable for the Financial Year 2024-25, available to the Company, its material subsidiary and its shareholders. Several of these benefits are dependent on the Company, its material subsidiary and its shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company, its material subsidiary and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its material subsidiary and its shareholders face in the future, the Company and its shareholders may or may not choose to fulfil.
4. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘**SEBI ICDR Regulations**’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its material subsidiary and its shareholders, the same would include those benefits as enumerated in the statement. Any

benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

5. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
6. The benefits discussed in the enclosed Statement cover the possible special tax benefits available to the Company, its material subsidiary and its shareholders and do not cover any general tax benefits available to them.
7. In respect of non-residents if any, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
8. With respect to the special tax benefits in case of One Material Subsidiary listed below, we have relied upon the Management Representation Letter and confirmation received from the statutory auditors of the Material Subsidiary of the Company as the case may be as listed in **Annexure I**.

#### **Material Subsidiary**

NTPC Renewable Energy Limited

9. The benefits stated in the enclosed Statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.
10. We do not express any opinion or provide any assurance whether:
  - The Company, its material subsidiary and its shareholders will continue to obtain these benefits in future;
  - The conditions prescribed for availing the benefits have been/would be met;
  - The revenue authorities/courts will concur with the views expressed herein.
11. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct, and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
12. This Statement is addressed to Board of Directors and BRLMs and issued at specific request of the Company for submission to the BRLMs to assist them in conducting their due-diligence and documenting their

investigations of the affairs of the company in connection with the proposed Issue. This report may be delivered to SEBI, the stock exchanges, to the Registrar of Companies, Delhi and Haryana at New Delhi or to any other regulatory and statutory authorities by the BRLMs only when called upon by SEBI or the stock exchanges in connection with any inspection, enquiry or investigation, as the case may be, to evidence BRLMs due diligence obligations pertaining to subject matter of this report or for any defence that the BRLMs may wish to advance in any claim or proceeding with SEBI or stock exchanges in connection with due diligence obligations of the BRLMs in the Issue pertaining to subject matter of this report. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For P R Mehra & Co,  
Chartered Accountants  
Firm Registration Number: 000051N**

**Ashok Malhotra  
Partner  
Membership No.: 082648  
Place: New Delhi  
UDIN: 24082648BKGJ2708**

## ANNEXURE I

### THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO NTPC GREEN ENERGY LIMITED (THE “COMPANY”), ITS MATERIAL SUBSIDIARY AND ITS SHAREHOLDERS

Outlined below are the special tax benefits available to NTPC Green Energy Limited (the “Company”), its material subsidiary and its shareholders under the Income-tax Act, 1961 (the “Act”) and Income-Rules, 1962 (“Income Tax Rules”), circulars, notifications, as amended by the Finance Act 2024 (collectively, hereinafter referred to as “Income Tax Laws”). The possible special tax benefits are subject to fulfilment of conditions prescribed under the relevant Income Tax Laws by the Company or its shareholders.

#### A. Special tax benefits available to the Company under the ITA and Income Tax Rules

##### I. Lower Corporate tax rate under Section 115BAA of the ITA

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from Financial Year (‘FY’) 2019-20 relevant to Assessment Year (‘AY’) 2020-21 and the option once exercised through filing of Form 10-IC on the Income tax portal shall apply to subsequent assessment years. The Company has exercised such option from Financial Year (‘FY’) 2022-23 relevant to Assessment Year (‘AY’) 2023-24 and have filed form 10-IC on 6<sup>th</sup> September, 2023. The concessional tax rate of 22% is subject to the company not availing any of the following deductions under the provisions of the ITA:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge of 10% and health and education cess of 4%) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate by filing Form 10-IC on or before the due date of filing return of income under section 139(1) of the ITA. Further, provisions of Minimum Alternate Tax (‘MAT’) under section 115JB of the ITA shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

##### II. Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA.

As per the provisions of section 80M of the ITA, inserted with effect from 01 April 2020 i.e., AY 2021-22, a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. The amount of deduction so claimed should not exceed the amount of dividend distributed by it on or before the due date. In this case, due date means one month prior to the due date of furnishing return of income under sub section (1) of section 139 of the ITA.

The company has two subsidiaries and thus, the company should be eligible to claim deduction under section 80M of the ITA in respect of dividends received (if any) from its subsidiaries and further distributed to its shareholders subject to fulfilment of other conditions. The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of ITA.

The Company neither received any dividend income nor paid any dividends in FY 2022-23 and FY 2023-24. Accordingly, no deduction under section 80M of ITA for the AY 2023-24, and AY 2024-2025 was claimed by the Company.



## **B. Special Tax Benefits available to the Material Subsidiary of the Company**

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAB wherein domestic companies are entitled to avail a concessional tax rate of 15% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate is available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised through filing of Form 10-ID on the Income tax portal shall apply to subsequent assessment years. The Company has exercised such option from Financial Year ("FY") 2020-21 relevant to Assessment Year ("AY") 2021-22 and have filed form 10-ID on 24<sup>th</sup> February, 2022. The concessional tax rate of 15% is subject to the company not availing any of the following deductions under the provisions of the ITA:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 17.16% (i.e., 15% along with surcharge of 10% and health and education cess of 4%) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate by filing Form 10-ID on or before the due date of filing return of income under section 139(1) of the ITA. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the ITA shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions specify certain limitation/condition on account of nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, the Company is eligible to avail this concessional rate of tax.

## **C. Special Tax Benefits available to the shareholders of the Company**

There are no special tax benefits available to the shareholders of the Company for investing in the equity shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the provisions of ITA. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any other type of instrument are not covered below.

### **I. Dividend Income**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ("DTAA"), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate in ITA.

### **II. Double Taxation Avoidance Agreement Benefit**

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and fulfilment of other conditions to avail the treaty benefit.

### **Notes forming part of Certificate and Annexure I:**

1. This Annexure sets out only the special direct tax benefits available to the Company, its material subsidiary and its shareholders under Direct Tax Regulations, presently force in India.

2. These special tax benefits are dependent on the Company, its material subsidiary and its shareholders fulfilling the conditions prescribed under the Income tax regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
3. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
4. The Statement has been prepared on the basis that the Company is in the process of getting shares of the company listed on a recognized stock exchange in India and the Company will be issuing shares.
5. This annexure covers only direct tax regulations benefits and does not cover any indirect tax law benefits or benefit under any other law,
6. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:
  - i. the Company or its shareholders will continue to obtain these benefits in future;
  - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
  - iii. the revenue authorities/courts will concur with the view expressed herein.
7. These comments are based upon the existing provisions of the specified direct tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
8. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
9. The above statement of Possible Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
10. We have relied upon the certificate issued by the statutory auditor of the material subsidiary i.e. NREL on “special tax benefits available to the material subsidiary of the Company” while including Para B in Annexure I attached to this certificate.

## **Annexure II**

### **STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARY AND TO THE SHAREHOLDERS**

Outlined below are the special tax benefits available to NTPC Green Energy Limited (**the “Company”**), **its material subsidiary** and its Shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, applicable State/ Union Territory Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as "**Indirect Tax Regulations**"), presently in force in India.

#### **A. Special indirect tax benefits available to the Company**

The Company is mainly engaged in the activity of developing, building, owning, operating and maintaining utility scale grid connected solar and wind power projects (through O&M operations and in-house engineering). The electrical energy supplied by the Company is exempt from goods and services tax as per the relevant notifications 02/2017 issued under the Central Goods and Services Tax Act, dated June 2017/ the Integrated Goods and Services Tax Act, 2017/ applicable State/ Union Territory Goods and Services Tax Act, 2017.

There are no special indirect tax benefits available to the Company under Indirect Tax Regulations.

## **B. Special indirect tax benefits available to the Material Subsidiary of the Company**

The Material Subsidiary is engaged in the activity of developing, building, owning, operating and maintaining utility scale grid connected solar and wind power projects (through O&M operations and in-house engineering). The electrical energy supplied by the Company is exempt from goods and services tax as per the relevant notifications 02/2017 issued under the Central Goods and Services Tax Act, dated June 2017/ the Integrated Goods and Services Tax Act, 2017/ applicable State/ Union Territory Goods and Services Tax Act, 2017.

There are no special indirect tax benefits available to the Material Subsidiary under Indirect Tax Regulations.

## **C. Special indirect tax Benefits available to the shareholders of the Company**

There are no special indirect tax benefits available to the shareholders of the Company under Indirect Tax Regulations.

### **Notes forming part of Certificate and Annexure II:**

1. This Annexure sets out only the special indirect tax benefits available to the Company, its material subsidiary and its Shareholders under the Indirect Tax Regulations, presently in force in India.
2. These special tax benefits may be dependent on the Company, its material subsidiary or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its Shareholders to derive the indirect tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its Shareholders may or may not choose to fulfil.
3. The Statement has been prepared on the basis that the Company is in the process of getting shares of the company listed on recognized stock exchange in India and the Company will be issuing shares.
4. This special indirect tax benefits discussed in this Annexure is not exhaustive. It is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed IPO.
5. This annexure covers only indirect tax regulations benefits and does not cover any income tax law benefits or benefit under any other law.
6. The Statement is prepared on the basis of information available to the management of the Company and there is no assurance that:
  - i. the Company or its shareholders will continue to obtain these benefits in future; and
  - ii. the conditions prescribed for availing the benefits have been/ would be met with.
7. These comments are based upon the existing provisions of the specified indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
8. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
9. The above statement of possible special tax benefits sets out the provision of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
10. We have relied upon the certificate issued by the statutory auditor of the material subsidiary i.e. NREL on “special tax benefits available to the material subsidiary of the Company” while including Para B in Annexure II attached to this certificate.

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise specified, the information contained in this section is derived from a report titled “Strategic assessment of Indian power and renewable energy sector” dated November 2024 prepared by CRISIL (“CRSIL Report”), and commissioned and paid for by our Company in connection with the Offer. We commissioned the CRSIL Report on June 4, 2024. The CRSIL Report is available at the following web-link: <https://ngel.in/page/industry-report>. Although the industry and market data used in this Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*The CRSIL Report is subject to the following disclaimer:*

*“CRISIL Market Intelligence & Analytics (“CRISIL MI&A”), a division of CRISIL Limited (CRISIL), has taken due care and caution in preparing the CRSIL Report based on the Information obtained by CRISIL from sources which it considers reliable (Data). The CRSIL Report is not a recommendation to invest / disinvest in any entity covered in the CRSIL Report and no part of the CRSIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the CRSIL Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited.. The views expressed in the CRSIL Report are that of CRISIL MI&A and not of CRISIL Ratings Limited.”*

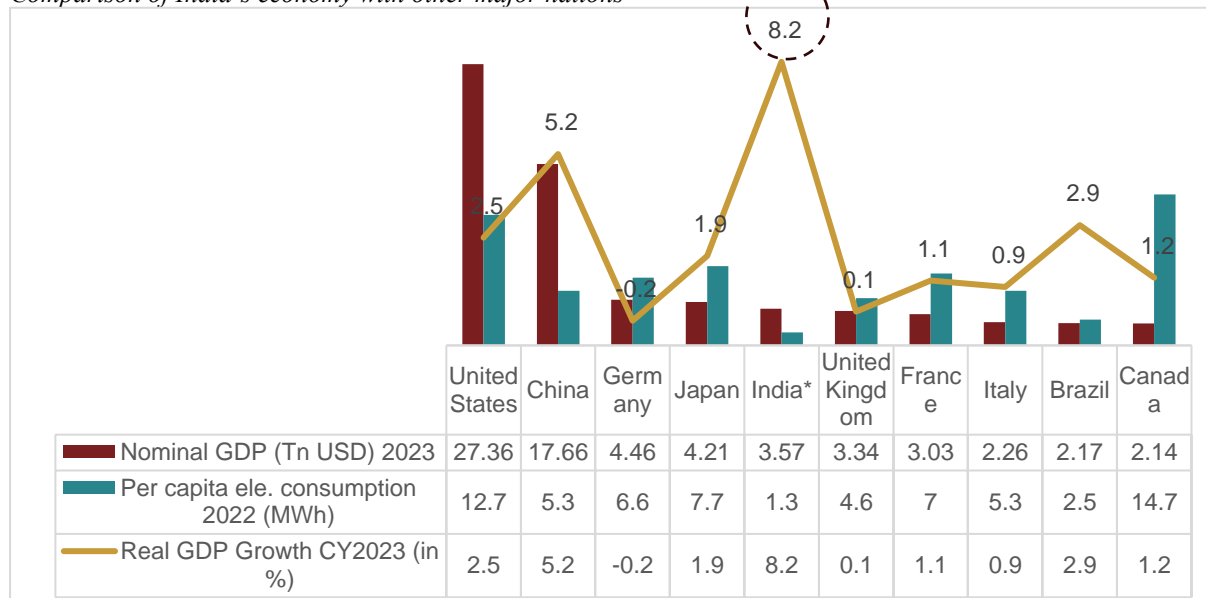
*For further details and risks in relation to commissioned reports, see “Risk Factors — Certain sections of this Red Herring Prospectus contain information from the CRSIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Issue is subject to inherent risks” on page 82. Also, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and market data” on page 18.*

#### **Macroeconomic overview**

##### ***Economic indicators***

India has become the fifth largest economy in the world in CY 2023, according to the International Monetary Fund’s (IMF) World Economic Outlook (April 2024). As per IMF GDP Forecasts (July 2024), India’s real GDP growth is estimated at 6.5% in 2025, the highest amongst the top 10 economies. Additionally, World Bank has forecasted India’s GDP to grow at 7% in fiscal 2025.

### Comparison of India's economy with other major nations



\*India Financial Year, Source: World Economic Outlook Database (April and July 2024) by IMF; IEA, CEA, CRISIL MI&A-Consulting

In the last 10 years, Indian GDP has been growing consistently. Except for years affected by COVID-19, India's growth has been highest amongst the top 10 economies. With the receding risk of global recession, India has been identified as an economic growth center by various International Agencies as well as global rating firms.

### Historical growth of real GDP for major economies (figures in %)

Year	Brazil	Canada	China	France	Germany	India*	Italy	Japan	United Kingdom	United States
CY15	-3.5	0.7	7.0	1.1	1.5	8.0	0.8	1.6	2.2	2.9
CY16	-3.3	1.0	6.9	1.1	2.2	8.3	1.3	0.8	1.9	1.8
CY17	1.3	3.0	6.9	2.3	2.7	6.8	1.7	1.7	2.7	2.5
CY18	1.8	2.7	6.8	1.9	1.0	6.5	0.9	0.6	1.4	3.0
CY19	1.2	1.9	6.0	1.8	1.1	3.9	0.5	-0.4	1.6	2.5
CY20	-3.3	-5.0	2.2	-7.5	-3.8	-5.8	-9.0	-4.1	-10.4	-2.2
CY21	4.8	5.3	8.5	6.3	3.2	9.7	8.3	2.6	8.7	5.8
CY22	3.0	3.8	3.0	2.5	1.8	7.0	4.0	1.0	4.3	1.9
CY23	2.9	1.2	5.2	1.1	-0.2	8.2	0.9	1.9	0.1	2.5
CY24	2.1	1.3	5.0	0.9	0.2	7.0	0.7	0.7	0.7	2.6
CY25	2.4	2.4	4.5	1.3	1.3	6.5	0.9	1.0	1.5	1.9
CY26	2.1	1.9	3.8	1.6	1.5	6.5	0.2	0.8	1.7	2.0
CY27	2.0	1.7	3.6	1.5	1.1	6.5	0.3	0.6	1.7	2.1
CY28	2.0	1.7	3.4	1.4	0.8	6.5	0.8	0.6	1.6	2.1
CY29	2.0	1.7	3.3	1.3	0.7	6.5	0.8	0.4	1.4	2.1

\*India Financial Year, Source: World Economic Outlook Database (April-2024) by IMF; CRISIL MI&A-Consulting

As per World Economic Outlook released by IMF in July 2024, economic activity was surprisingly resilient through the global disinflation of 2022–23. IMF estimated global real GDP growth at 3.3% in 2023, is projected to continue at 3.2% and 3.3% in 2024 and 2025, respectively. As per July 2024 estimates of IMF, real GDP growth in India is projected to remain strong at 7.0% in 2024 and 6.5% in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

## Overview of other demographic factors

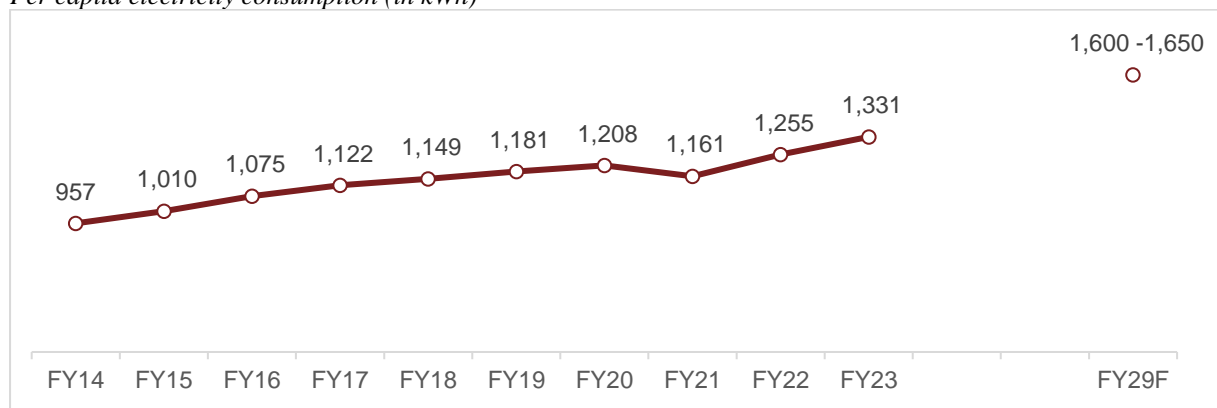
### Per capita electricity consumption

India's electricity consumption per person rose to 1,331 kWh in fiscal 2023 (as per CEA's provisional data), from 957 kWh in fiscal 2014 at a CAGR of 3.73%, primarily led by large capacity additions coupled with strengthening of the transmission and distribution (T&D) network.

As seen in the “*Comparison of India's economy with other major nations*” despite this healthy increase, the per-capita electricity consumption remains significantly lower than other major economies. Developing countries, such as Brazil and China, have significantly higher per-capita electricity consumption than India. In CY2022, per capita electricity consumption of Brazil (2.5 MWh) was almost double of India's (1.3 MWh) per capita electricity consumption whereas the annual per capita electricity consumption of India was around 24% that of China (5.3 MWh) and around 10% of the United States (12.7 MWh).

Between fiscals 2023 and 2029, India's per capita electricity consumption is expected to grow at ~5-7% CAGR. Per capita electricity consumption is expected to gradually improve in the long term as well, as power demand picks up on the back of improvement in access to electricity, in terms of quality and reliability, rising per capita income, increasing EV penetration, railway electrification, on account of intensive rural electrification, resulting in realisation of latent demand from the residential segment, increased penetration of consumer durables. However, there are a few factors which could restrict the growth such as improved energy efficiency, focus on T&D loss reduction, sustainability targets and increasing share of services in GDP. Consequently, CRISIL MI&A-Consulting expects per capita electricity consumption to reach 1,600-1,650 kWh by fiscal 2029.

Per capita electricity consumption (in kWh)



F: Forecast

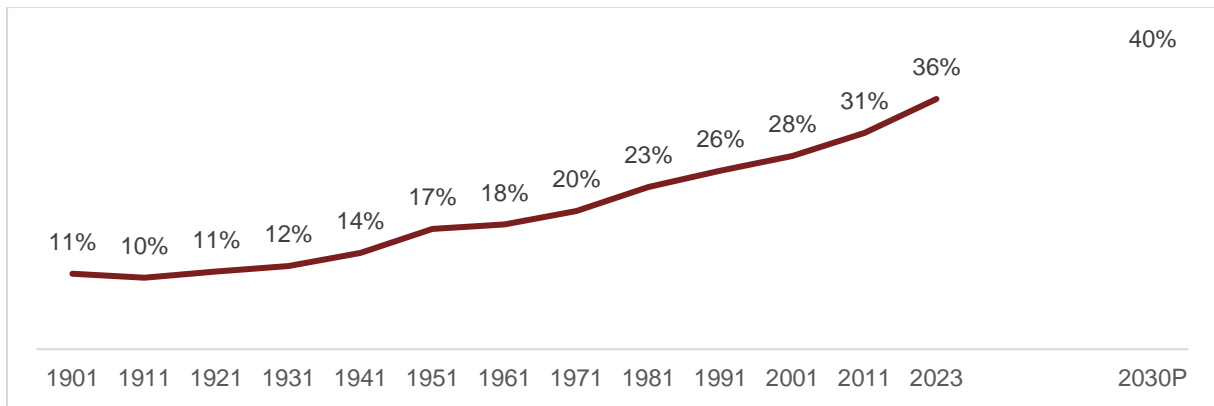
Source: Central Electricity Authority of India (CEA), CRISIL MI&A-Consulting

### Urbanization

Urbanisation is one of the big growth drivers, as it leads to rapid infrastructure development, job creation, development of modern consumer services, and mobilisation of savings.

The share of the urban population in India in overall population, which stood at ~31% in 2011, has been consistently rising over the years, and is expected to reach 40% by 2030, spurring increasing consumer demand.

Urban population as a % of total population of India



*P: Projected*

*Source: Census 2011, Report of The Technical Group on Population Projections by Ministry of Health & Family Welfare (July 2020), World Bank; Economic Survey 2024, CRISIL MI&A Consulting*

## **Outlook on Carbon Reduction Emission measures and corresponding developments**

### *United Nations Climate Change Conference*

#### **COP 26**

The 2021 United Nations Climate Change Conference (COP 26) was the 26<sup>th</sup> United Nations Climate Change conference, held at Glasgow, Scotland during Oct-Nov 2021 and a draft agreement was circulated with respect to climate change action. The draft agreement called on countries to phase out coal power and inefficient fossil fuel subsidies to reduce carbon emissions significantly in order to reach a goal of limiting global warming this century to 1.5 degree Celsius. The draft recognised that limiting global warming to 1.5 degrees Celsius would require rapid, deep and sustained reductions in global greenhouse gas (GHG) emissions, including reducing global carbon dioxide emissions by 45% by 2030 relative to the 2010 level and to net-zero levels around mid-century.

COP26 was a landmark event, as it saw a number of important decisions including

- A commitment to phase down coal power and to accelerate the transition to clean energy.
- A commitment to reduce methane emissions by 30% by 2030.
- A commitment to provide \$100 billion per year in climate finance to developing countries.

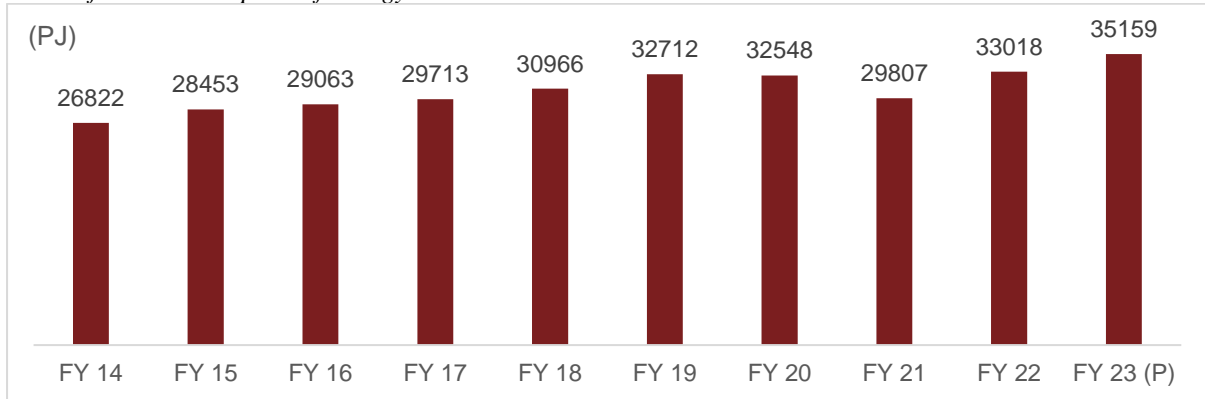
India has submitted its updated first NDC working towards climate justice after COP26. Some of the key NDCs are

- To reduce Emissions Intensity of its GDP by 45% by 2030, from 2005 level
- To achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, with the help of transfer of technology and low-cost international finance including from Green Climate Fund (GCF)
- To create an additional carbon sink of 2.5 to 3 billion tonnes of CO<sub>2</sub> equivalent through additional forest and tree cover by 2030.

#### **Total energy demand**

Increased urbanisation and industrialization have necessitated the supply of clean energy. As per India Energy Statistics 2024, India has experienced a healthy growth in consumption of energy, a growth from 26,822 Petajoule (PJ) during FY 2013-14 to 35,159 Petajoule (PJ) in FY 2022-23 (P) at a CAGR of 3.05%. The total consumption of energy has increased from 33,018 PJ in FY 2021-22 to 35,159 PJ in FY 2022-23(P), an increase of 6.48%. Coal and Lignite together has registered the highest growth of close to 8.63% during FY 2022-23(P) over last year

*Trend of total consumption of Energy in India*

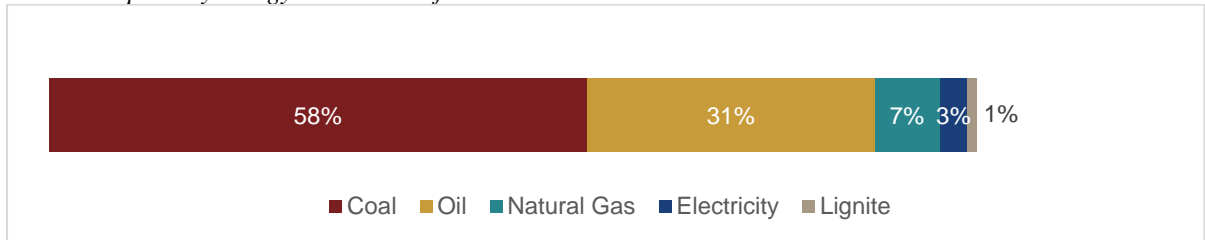


(P) Provisional: 1 Petajoule= 23884.589 Tonnes of oil equivalent

Source: India Energy Statistics 2024 by MOSPI; CRISIL MI&A Consulting

The consumption of energy in petajoules from Coal and Lignite was highest which accounted for about 59% of the total consumption during FY 2022-23(P) followed by Crude Oil (31%) and Natural Gas (7%)

*India-total primary energy demand met from*



(P) Provisional: 1 Petajoule= 23884.589 Tonnes of oil equivalent

Source: India Energy Statistics 2024 by MOSPI; CRISIL MI&A Consulting

India's energy demand will continue to provide fuel for future economic growth and is bound to grow exponentially in the coming years. As per IEA, during 2020, India is the 3<sup>rd</sup> largest global energy consumer after China and the United States and in the Stated Policies Scenario, it is expected to overtake the European Union by 2030 to move up to third position.

**Overview of the Indian Power Sector**

*Review of power demand supply scenario*

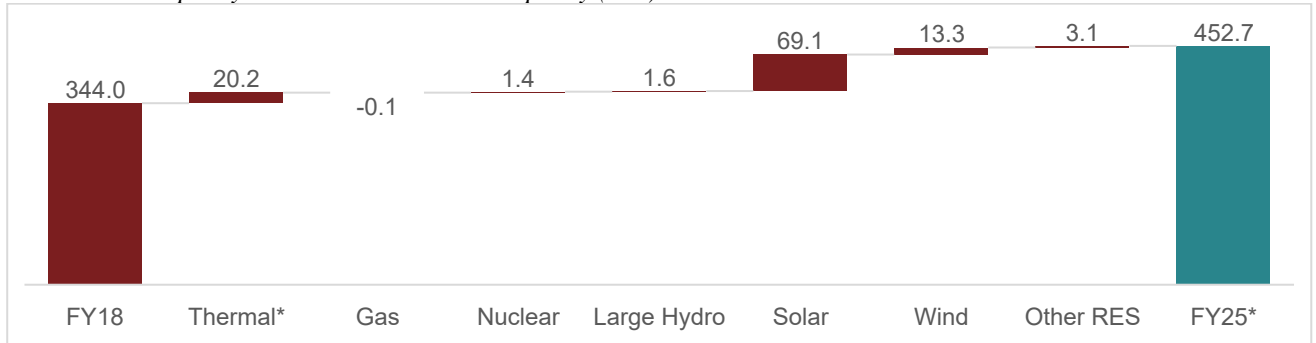
India witnessed robust growth in capacity addition over the past decade, led by delicensing of the power-generation business through the Electricity Act, 2003, followed by strong government thrust on RE through favourable policies and regulations.

*Review of installed capacity and fuel mix*

The total installed generation capacity as of September 2024 was ~453 GW, of which ~109 GW of capacity was added over fiscals 2018-25. The overall installed generation capacity has grown at a CAGR of ~5.0% over the same period.



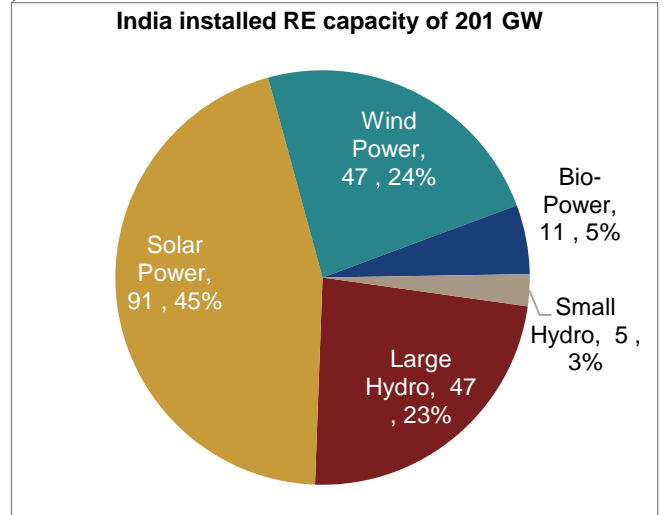
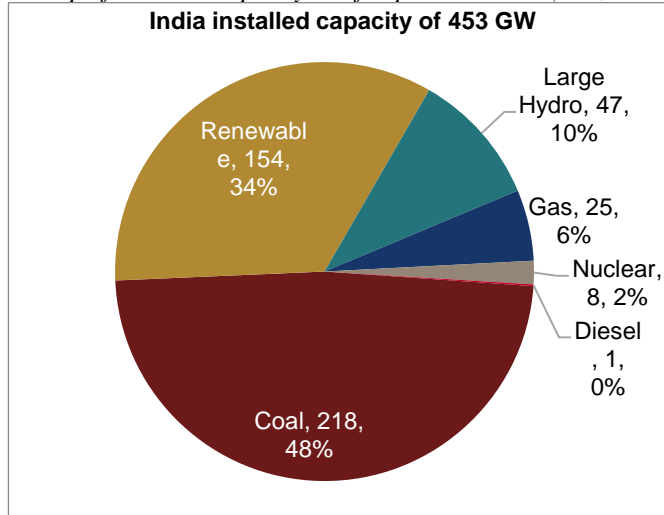
**India Annual capacity additions and installed capacity (GW)**



\*FY25: As on 30 September 2024, Source: CEA, CRISIL MI&A-Consulting

Coal and lignite-based installed power generation capacity has maintained its dominant position over the years and accounts for ~48% as of September 2024. In the last few years, RE has been the focused area for capacity additions which is evident from the fact that RE installations (including large hydroelectric projects), have reached ~201 GW capacity as of September 2024, compared with 114 GW as of March 2018, constituting about 45% of total installed generation capacity. This growth has been led by solar power, which rapidly rose to ~91 GW from 22 GW over the same period.

**Breakup of installed capacity as of September 2024 (GW, % share)**

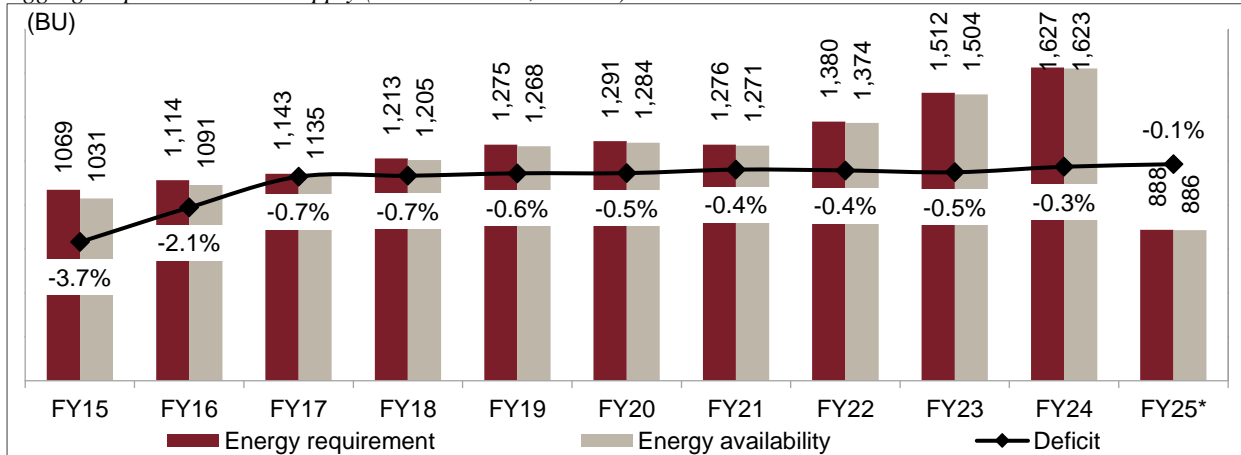


Source: CEA, CRISIL MI&A-Consulting

**Historical trend in power demand and energy requirement**

India's electricity requirement has risen at a CAGR of ~8.4% between fiscals 2021 and 2024, while power availability rose at ~8.5% CAGR due to strong capacity additions, both in the generation and transmission segments. As a result, the energy deficit declined to 0.5% in fiscal 2023 and further reduced to 0.3% in fiscal 2024 from 0.7% in fiscal 2018. Also, strengthening of inter-regional power transmission capacity over the past five years has further supported the fall in deficit levels as it reduced supply constraints due to congestion and lower transmission corridor availability. During fiscal 2025, the deficit was reduced to 0.1% as of September 2024.

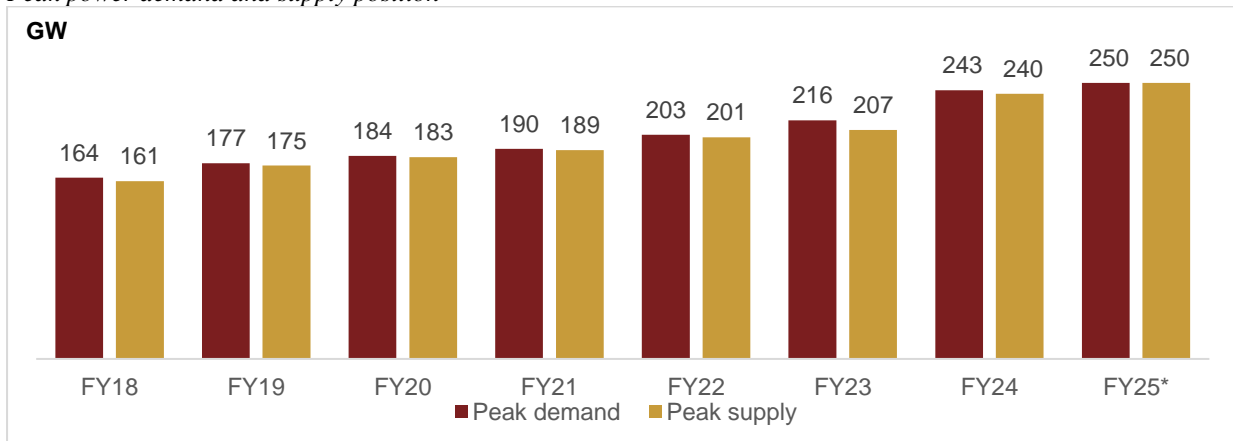
*Aggregate power demand supply (in billion units, or BUs)*



\*FY25 as of September 2024; Source: CEA, CRISIL MI&A-Consulting

Peak electricity demand in India has grown from 164 GW in fiscal 2018 to 243 GW in fiscal 2024 clocking an average growth rate of 6.8% in the past six years. In fiscal 2025 (as of September 2024) the peak demand further increased to 250 GW during the month of May 2024. Prior to the pandemic, electricity demand in India usually peaked in August-September, mostly covering the monsoon season. This spike in peak demand was primarily due to an increase in domestic and commercial load, mainly space cooling load due to high humidity conditions. However, during post pandemic years, annual peak demand occurred in the summer season (April-July), due to extreme heatwave conditions.

*Peak power demand and supply position*



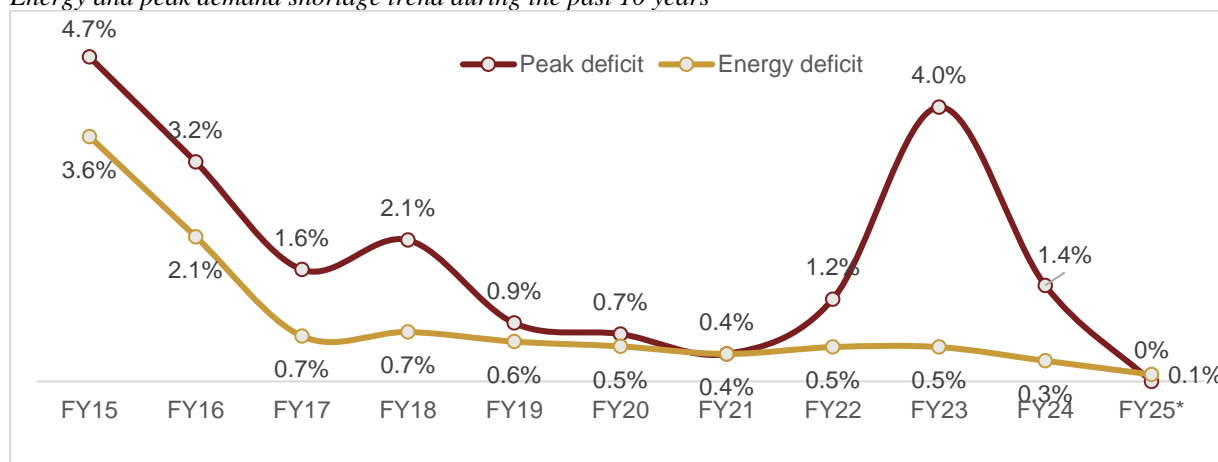
\*FY25 as of September 2024; Source: CEA, CRISIL MI&A-Consulting

*Assessment of power deficit/surplus condition*

On the back of strong growth in installed capacity, growth in energy availability outpaced demand growth. As a result, the gap between demand and supply narrowed, both in terms of energy as well as peak demand in the country. Peak demand shortage fell sharply to 1.4% in fiscal 2024, from 4.7% in fiscal 2015, whereas the energy shortage fell to 0.3% from 3.6% during the same period.

It is expected that the base deficit to persist, though remaining negligible at 0.3-0.5% over the medium-term, as deficit is expected in under-penetrated areas due to weak distribution infrastructure, with underserved populations expected to gradually come onto the grid in the long term.

*Energy and peak demand shortage trend during the past 10 years*



\*FY25 as of September 2024; Source: CEA; CRISIL MI&A-Consulting

### **Power demand supply outlook**

#### **Long term Demand drivers and constraints**

Power demand is closely associated with a country’s GDP. Healthy economic growth leads to growth in power demand. India is already the fastest-growing economy in the world, with an average GDP growth of 5.8% over the past decade. The trickle-down effect of government spending on infrastructure through the National Infrastructure Pipeline, expansion of the services industry, rapid urbanisation, and increased farm income from agriculture-related reforms are key macroeconomic factors that are expected to foster power demand. Significant policy initiatives such as 24x7 power for all, Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) scheme to provide electricity connections to all households, green energy corridor to facilitate evacuation of RE power, green city scheme to promote the development of sustainable and eco-friendly cities, PLI scheme and low corporate tax rates among others are expected to further support power demand in the country.

Apart from macroeconomic factors, power demand would be further fueled by railway electrification, upcoming metro rail projects, growing demand for charging infrastructure due to increased adoption of electric vehicles, and higher demand from key infrastructure and manufacturing sectors. However, increasing energy efficiency, a reduction in technical losses over the longer term, and captive as well as off-grid generation from renewables would restrict growth in power demand.

#### **Railway electrification and metro rail projects to drive a majority of incremental power demand**

Indian Railways has planned to become a net zero carbon emitter by 2030. Therefore, the Government aimed to achieve 100% electrification by fiscal 2025. This leads to incremental power demand of around 23 BUs on average every year between fiscal 2025 to 2029. The power sector is poised to witness most of the incremental demand from railway electrification; however, lower energy consumption for electrification per kilometer due to energy efficiency improvements will partially offset the demand.

Metro rail has seen substantial growth in India in recent years, and the rate of growth is set to double or triple in the coming years with multiple cities seeking metro rail services to meet daily mobility requirements. As of May 31, 2024, around 712 km of metro rail is under construction and 1,878 km is proposed to be added. These developments are expected to add incremental power demand of 5-6 BUs every year on average between fiscal 2025 to 2029. Currently, metro rail projects constitute a marginal share of total incremental demand, but the share is expected to increase due to a large quantum of upcoming metro projects.

Further, EV charging requirements are likely to boost power demand over the medium term, with a gradual increase in the share of EVs in the vehicle population. CRISIL MI&A-Consulting projects that the adoption of EVs will boost power demand by 12-13 BUs annually on average over fiscals 2025 to 2029.

#### **Declining T&D losses, an increase in off-grid/rooftop projects and open access transactions to drive power demand downward**

T&D losses have been declining, and the reduction in losses is expected to continue further aided by a slew of

government measures, primarily the Revamped Distribution Sector Scheme (RDSS). RDSS is a reform-based and result-linked scheme for improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution sector. Power demand is expected to be reduced by 20-25 BUs on average every year between fiscal 2025 to 2029 owing to lower T&D losses.

Further, with a boost to rooftop solar and the declining cost of renewable energy generation, decentralized distributed generation is expected to increase, reducing power demand from the grid. By fiscal 2029, 32-33 GW of rooftop capacities are expected to come onstream, resulting in a reduction of 2-3% in base demand.

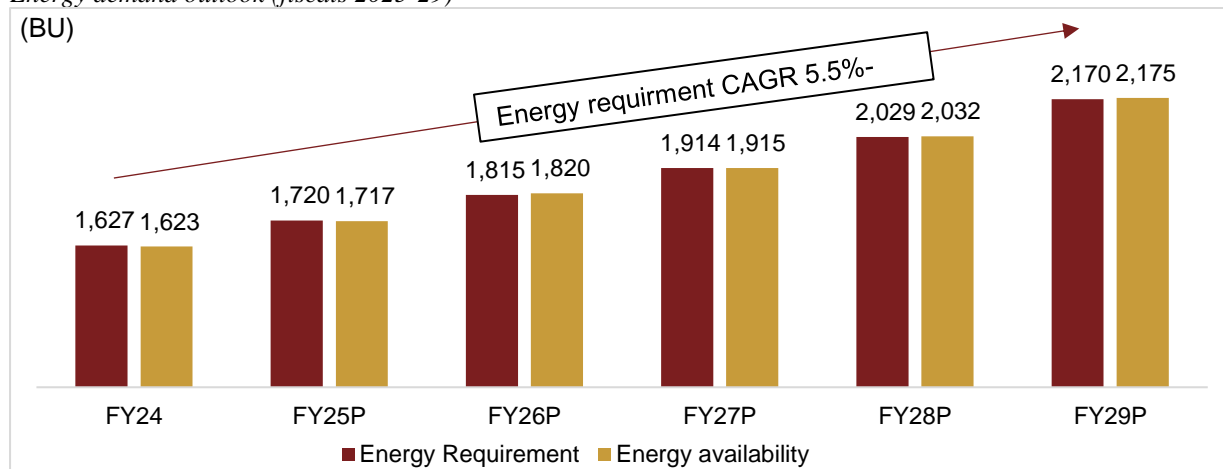
Captive consumption has been on a rising trajectory since fiscal 2013. The top four industries, namely iron and steel, sugar, aluminium, and steel account for 65% of the total captive consumption. Captive consumption is expected to maintain its growing trajectory going forward driven by increasing production in the mentioned industries. These industries are expected to add ~3-4 GW of captive capacity over the next five years, adding on average 290-300 BUs of demand over the period which may lead to a reduction in demand from the grid.

With higher tariffs and increasing operating expenses, commercial and industrial (C&I) consumers are opting for renewable energy through rooftops or open access to optimize the production costs. Thus, this segment opens up an avenue for more and more RE installations and provides an opportunity for RE players to expand their market.

**Outlook on energy requirement and availability**

Despite the high base of preceding three years, CRISIL MI&A-Consulting expects power demand to grow by 5.5-6.0% in the next five years which will be supported by infrastructure-linked capex, strong economic fundamentals along with expansion of the power footprint via strengthening of T&D infrastructure, coupled with major reforms initiated by the GoI for improving the overall health of the power sector, particularly that of state distribution utilities, are expected to improve the quality of power supply, thereby propelling power demand.

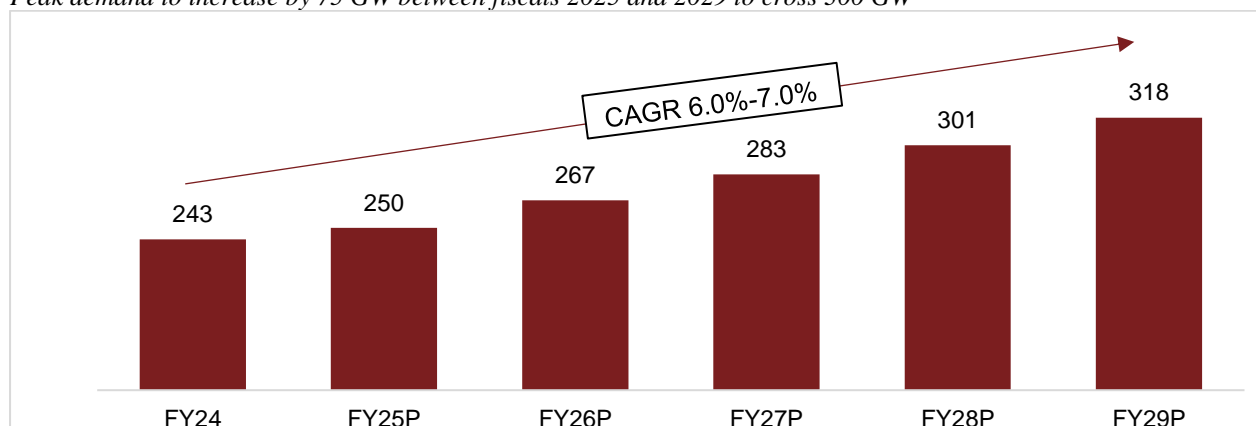
Energy demand outlook (fiscals 2025-29)



P: Projected, Source: CEA, CRISIL MI&A-Consulting

Peak demand is expected to grow at annual average 5-6% over fiscal 2024-29 to reach nearly 318 GW by fiscal 2029 with an expected persistent high temperatures, rising urbanization, economic growth and infrastructure push leading to higher power consumption.

Peak demand to increase by 75 GW between fiscals 2025 and 2029 to cross 300 GW



P: Projected, Source: CEA, CRISIL MI&A-Consulting

### Capacity addition outlook

Capacity additions in the conventional power generation segment are projected to be around 32-35 GW from fiscals 2025 to 2029, driven by higher than decadal average power demand.

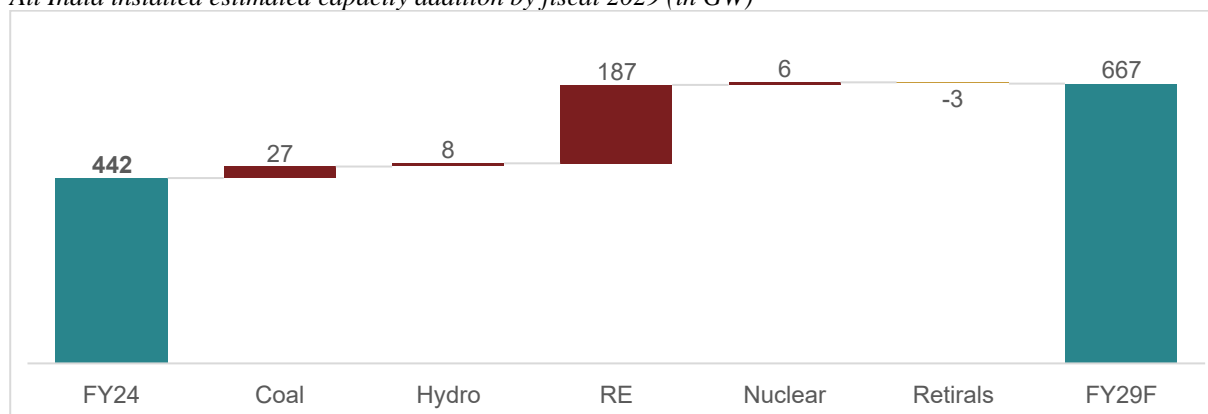
Nuclear power capacity additions of 5-6 GW are expected during the period as ongoing projects at Kakrapara, Kalpakkam, and Rajasthan are nearing completion.

CRISIL MI&A-Consulting expects 15-16 GW of hydro power installations including 7-8 GW pumped hydro storage projects (PSP) capacity additions over fiscals 2025-2029.

RE capacity addition of over 180-190 GW is expected to be installed between fiscal 2025-29 driven by various government initiatives, favourable policies, competitive tariffs, innovative tenders, development of solar parks and green energy corridors, etc. RE capacity is estimated to account for about 50% of the installed capacity of 660-670 GW by fiscal 2029.

BESS capacity additions, aimed at storing renewable energy during off-peak hours of power demand to support peak supply, are expected to be commissioned starting fiscal 2025, with 23-24 GW of BESS capacity likely to be added through fiscal 2029.

All India installed estimated capacity addition by fiscal 2029 (in GW)



RE includes solar, wind, small hydro, and other renewable sources  
Source: CEA, CRISIL MI&A-Consulting

### Overview of Renewable Energy sector in India

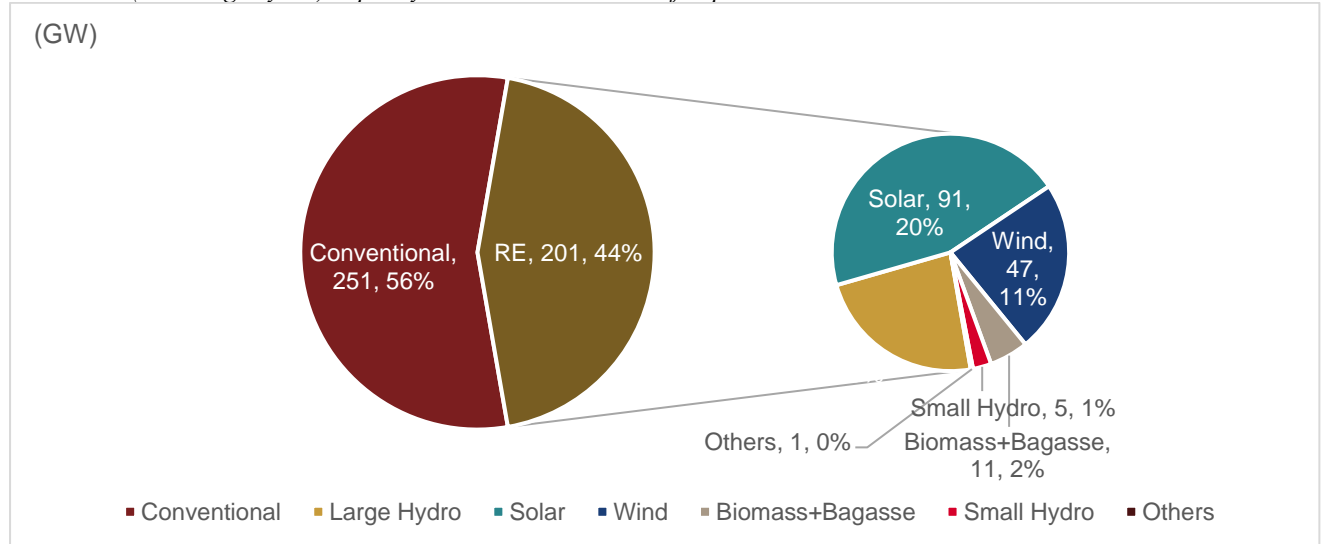
Renewable sources are a clean source of energy as they do not burn like fossil fuels, preventing the release of pollutants into the air. Increasing use of RE would help avoid carbon emissions, and thereby, restrict global warming. Further, the wide availability of these resources makes them less susceptible to depletion unlike conventional sources of energy. While there are multiple renewable sources that can be utilised, including solar,

wind, small hydro, biomass, and bagasse remain key sources.

**Installed Renewable energy capacity in India**

Renewable energy installations (incl. large hydro) have increased to ~201 GW as of September 2024, as compared with ~63 GW as of March 2012 (source: MNRE), led by various central and state-level incentives. As of September-2024, installed grid connected RE generation capacity (incl. large hydro) in India constituted ~45% of the total installed generation base in India. This growth has been led by solar power, which has grown to ~91 GW from merely ~0.09 GW over the discussed time period (i.e., from March 2012).

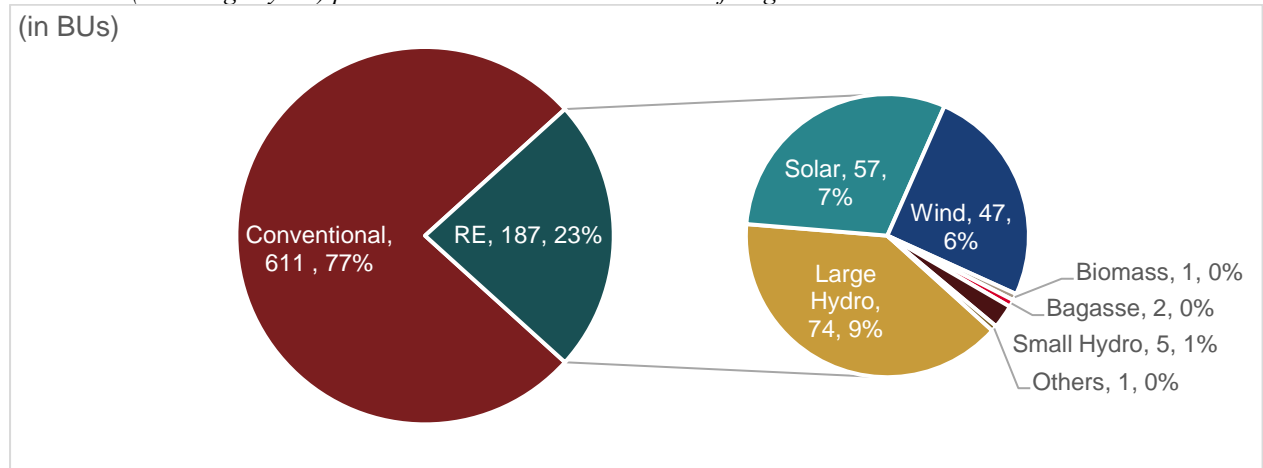
India's RE (incl. large hydro) capacity was ~45% at the end of September 2024



Conventional: Coal, Gas, Lignite, and Nuclear  
 Source: MNRE; CEA, CRISIL MI&A-Consulting

However, owing to lower capacity utilisation factors, the RE penetration (incl. large hydro) in terms of energy generation was at ~187 BUs for fiscal 2025 (as of Aug-2024).

India's RE (incl. large hydro) penetration was about 23% at end of August 2024



At CEA, generation lags data lags compared to installed capacity data.  
 Conventional: Coal, Gas, Lignite and Nuclear  
 Source: MNRE; CEA, CRISIL MI&A-Consulting

Some of the key players in thermal (coal), hydro, solar and wind energy and their share in respective energy segment is summarised in following table.

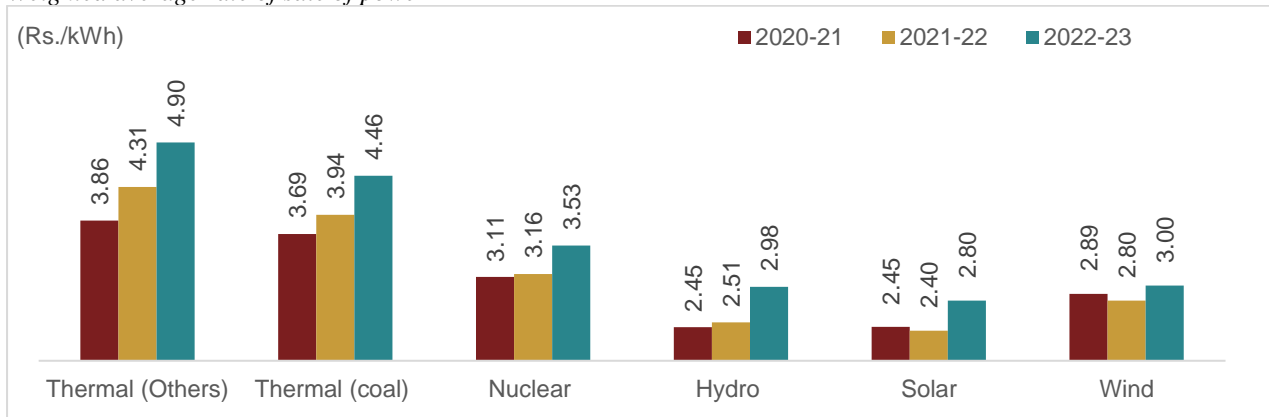
*Key players and their share in installed capacity*

Player	Thermal (Coal Lignite)	Player	Large Hydro	Player	Solar	Player	Wind
NTPC	29%	NHPC	15%	Adani Green	8%	Adani Green	3%
Adani Power	7%	BBMB	6%	ReNew	6%	ReNew	10%
TATA Power	4%	SJVNL	4%	Tata Power	4%	Tata Power	2%
DVC	3%	NHDC	3%	NTPC	4%	Sembcorp	4%
Reliance Power	3%	NEEPCO	3%	Avaada	3%	JSW	5%
Jindal Power	2%	THDC	3%	Azure	3%	Continuum	3%
JSW	2%	JSW Energy	3%	Acme	2%	Apraava	2%
NLC	2%	NTPC	2%	Greenko	2%	Greenko	7%
Jaypee Group	1%	TATA Power	1%	Sembocrp	1%	Torrent	2%
<b>Total (MW)</b>	<b>2,17,650</b>		<b>46,928</b>		<b>90,762</b>		<b>47,363</b>

Source: CEA, Company websites, Industry, CRISIL MI&A Consulting

Further, the following figure summarises the weighted average rate of sale of power for different sources of power generation.

#### Weighted average rate of sale of power



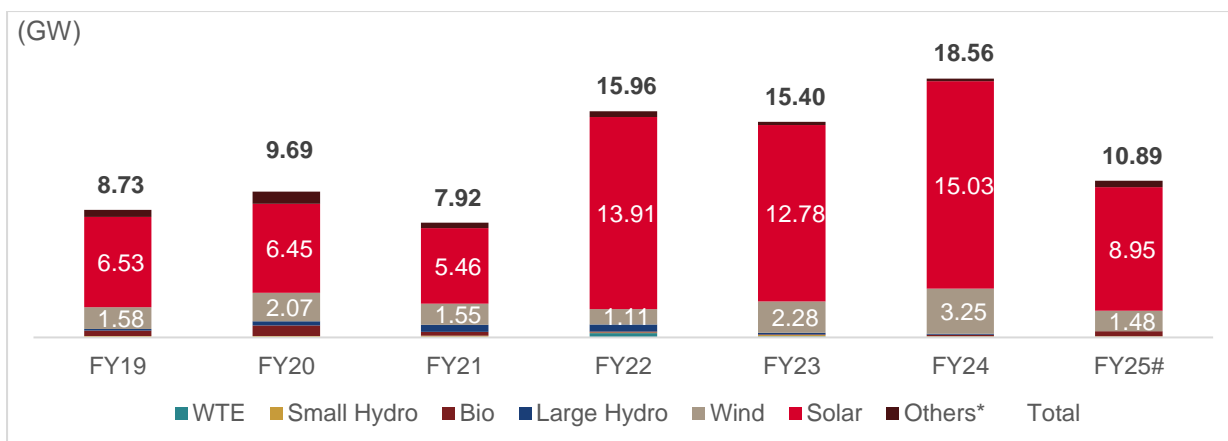
For solar and wind power, the weighted tariffs discovered in the bidding for the respective year

Source: CEA, Sansad website, Industry, CRISIL MI&A Consulting

#### Overview of RE capacity additions

With the increased support of the Government and improved economics, the RE sector has become attractive from an investor's perspective. During fiscals 2018 to 2024, India added around 76 GW of RE (incl. large hydro) capacities. The installed RE (incl. large hydro) capacity has grown from 114 GW in fiscal 2018 to 201 GW in fiscal 2025 (as of September 2024) at a CAGR of ~9%. Solar segment led the capacity additions with cumulative additions of ~69 GW followed by wind ~13 GW during the same period. The other RE sources added ~5 GW during the same period.

#### Historical RE Capacity additions in India

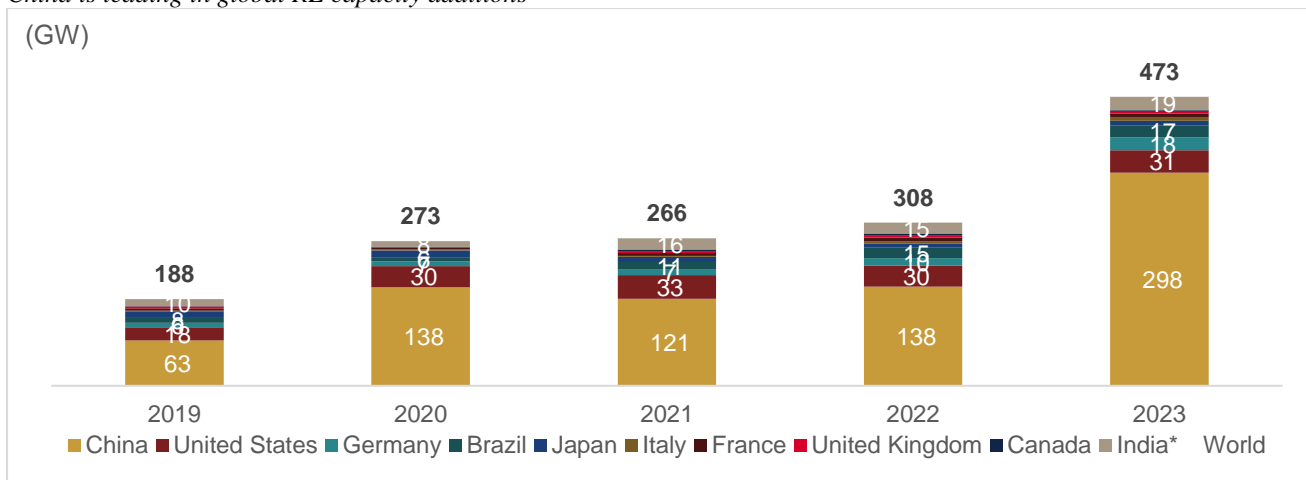


# As of September 2024; \*Others include small-hydro, biomass and waste-to-energy  
 Source: CEA, MNRE, CRISIL MI&A Consulting

### RE Capacity additions in India compared to major economies

Globally, India ranks fourth in total RE capacity, wind as well as solar installations. India has become the second largest RE market in the Asia Pacific region after China. As per IRENA RE capacity statistics 2024, during 2023, China added ~298 GW of RE capacity followed by USA with ~31 GW of RE capacity. During the same period, Germany added around 18 GW whereas Brazil added 17 GW of RE capacity. As per MNRE, India added ~15 GW during the fiscal 2023. Thus, as against the 63% of the global RE capacity added by China, India added around 3% during the fiscal 2023.

### China is leading in global RE capacity additions



Source: MNRE, IRENA, CRISIL MI&A Consulting

### RE Consumption in key Indian states

With declining tariffs and government push for RE, most of the RE states have added significant RE capacity and are also purchasing RE power to meet the energy demand. However, the RE penetration in Indian states varies substantially from state to state. In the Top 10 RE Rich States, the RE penetration is higher than national average. The following table summarises the share of RE consumption in total power consumption. The share of RE in most of the States is increasing.

### Trend of RE consumption in total electricity consumption in key States

State	FY19	FY 20	FY 21	FY 22	FY 23
Andhra Pradesh	34%	37%	32%	29%	26%
Chhattisgarh	5%	6%	9%	8%	14%
Gujarat	13%	15%	16%	18%	18%
Haryana	16%	18%	17%	19%	24%



State	FY19	FY 20	FY 21	FY 22	FY 23
Karnataka	31%	39%	44%	42%	43%
Madhya Pradesh	14%	17%	19%	16%	22%
Maharashtra	13%	14%	15%	17%	18%
Rajasthan	25%	27%	25%	25%	31%
Tamil Nadu	14%	15%	17%	15%	16%
Telangana	15%	19%	17%	20%	22%

*Note: As per the ICED database, a large capacity of Solar Park in AP is discontinued from 20-21 onwards, Source: India Climate Energy Dashboard (NITI Aayog); CRISIL MI&A Consulting*

### **Availability of finance and evolution of funding mechanisms**

To facilitate growth of renewable energy and, in particular, the solar power sector, the GoI has provided several measures to facilitate finance availability to developers. Some of these steps taken are as follows:

***Funding from lending institutions such as PFC, IREDA, REC and PFS:*** Government financial institutions such as Power Finance Corporation (PFC), PTC India Financial Services Limited (PFS), Rural Electrification Corporation (REC) and IREDA are financing many solar projects. As of March 2024, for PFC, the renewable energy portfolio crossed Rs. 600 billion (25% increase Rs. 602.08 billion as on 31.03.2024 vs Rs. 481.98 billion as on 31.03.2023). For the Quarter ended 30<sup>th</sup> June 2024, the PFC has sanctioned Rs. 598.44 billion loans to RE incl. large hydro against Rs. 497.07 billion on Quarter ended 30<sup>th</sup> June 2023. As of March 2024, for fiscal 2024, REC has sanctioned Rs. 1365.16 billion loans to RE incl. large hydro. For the half year ended 30<sup>th</sup> September 2024, the REC has sanctioned Rs. 603.91 billion loans to RE incl. large hydro against Rs. 499.29 billion on half year ended 30<sup>th</sup> September 2023. Further, IREDA sanctioned loans amounting to Rs. 373.54 billion and disbursed loans worth Rs. 250.89 billion during the fiscal 2024. This has led to a significant growth of 26.71% in the loan book, which stood at Rs. 596.50 billion. For the H1 of fiscal 2025, the IREDA sanctioned Rs. 178.60 billion and disbursed Rs. 97.87 billion.

***Green bond / masala bonds market:*** A green bond is like any other bond; however, it invests the proceeds to support green investments including renewable energy projects. The tenure of the bonds typically ranges from 18 months to 30 months. India is the second country after China to have national-level guidelines for green bonds; in India's case, they were published by SEBI. The green bonds may be issued by the national government; multilateral organisations such as Asian Development Bank, the World Bank or the Export-import (EXIM) bank of the country; financial institutions; and corporations.

***Pension funds / endowment funds:*** Pension / endowment funds are expected to play a key role in financing solar projects. Long-term 25-year PPAs with limited operational risk are very suitable to this investor category.

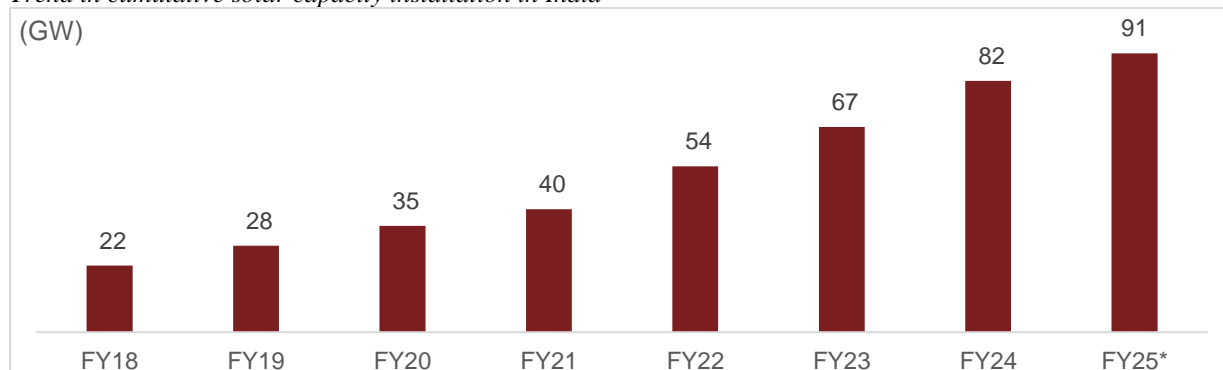
***Funding from multilateral banks and International Solar Alliance (ISA):*** The Central government channelises the funds available from multilateral banks and financing institutes such as World Bank and KfW. The Central government or its representative gets the funds, and it further gets allocated/allocated to various States/State government schemes. Funds are also provided to various CPSUs/ Central non-banking financial companies (NBFCs) with Indian government backing under the Climate Investment Fund of the World Bank. For instance, State Bank of India (SBI) has also received ~US\$625 million of soft loans with a long tenure of 20 years from the World Bank at a concessional rate to support viable grid-connected rooftop solar PV projects. On the same lines, KfW Germany provided a 1-billion-euro loan through IREDA for funding solar projects. Further, European Investment Bank has signed a long-term loan of 150 million euros with IREDA to finance clean energy projects in India.

The ISA, an association of solar-resource-rich countries, launched by the governments of India and France, aims at mobilising \$1,000 billion in funds by 2030.

### **Overview of solar sector in India**

In the renewable energy basket (including large hydro) as of September 2024, solar energy accounted for a share of 45%. Growth in the solar power sector over the last five years has been robust. As much as ~69 GW capacity was added in the segment over fiscals 2018-25 (as of September 2024), registering a CAGR of ~24.7%, although on a low base.

*Trend in cumulative solar capacity installation in India*



\*FY25 as of September 2024, Source: MNRE, CEA, CRISIL MI&A-Consulting

The GoI imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar polices. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat’s solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar polices.

The National Institute of Solar Energy estimated the country’s solar potential at 748 GW, assuming solar PV modules cover 3% of the geographical surface. India is a perfect location for solar energy because of its location. It has 300 days of sunshine each year, with daily peak electricity use being in the evenings and a seasonal peak in the summer.

The daily average Global Horizontal Irradiance (GHI) in India is around 5 kWh/m<sup>2</sup> in north-eastern and hilly areas to about 7 kWh/m<sup>2</sup> in western region and cold desert areas. The annual GHI varies from 1600 – 2200 kWh/m<sup>2</sup>. States like Gujarat, Rajasthan, Madhya Pradesh, Andhra Pradesh, Karnataka, Tamil Nadu offers more solar irradiance as compared to other parts of India which makes them desirable for installing solar projects.

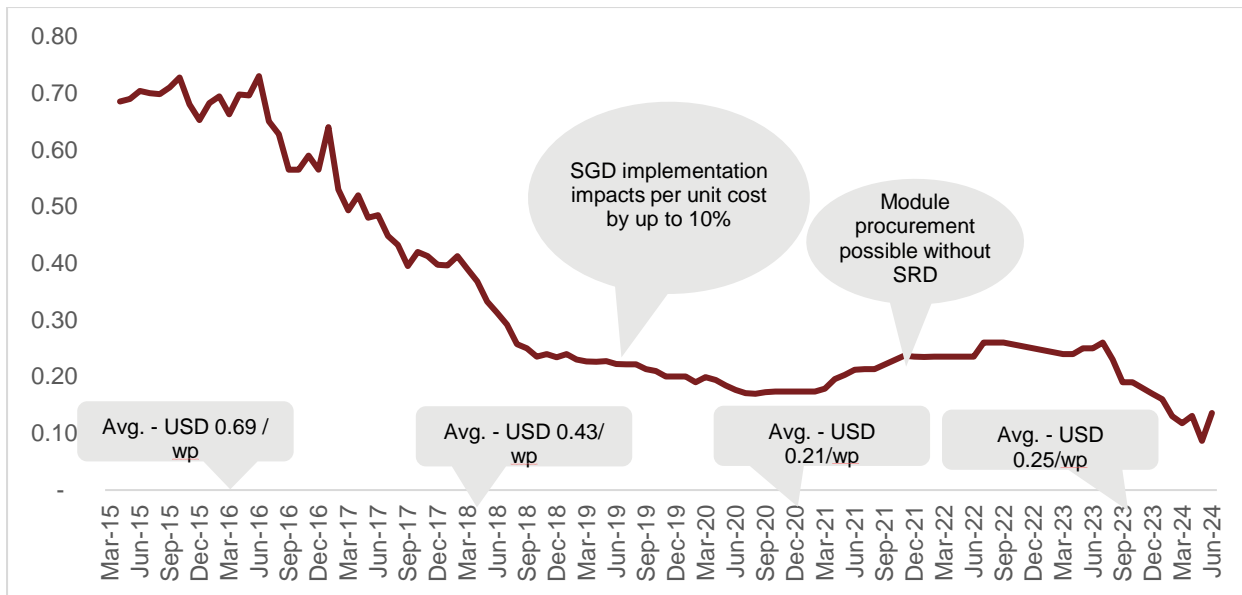
***Growth drivers for Solar sector in India***

***Declining module prices and tariffs***

The global average solar module price, which constitutes 55-60% of the total system cost, crashed 73% to \$0.47 per watt-peak in 2016 (average for January-December) from \$1.78 per watt-peak in 2010. In fact, prices continued to decline to \$0.22 per watt-peak by end-August 2019, owing to technology improvement, scale benefits and a demand-supply gap in the global solar module manufacturing industry.

CRISIL MI&A Consulting expects that post the reapplication of ALMM; the domestic module prices are expected to inch up on a quarterly basis as demand for domestic module grows. However, the fall in cell prices will mean that the domestic prices will still be 10-15% down on year in fiscal 2025 to Rs 0.21-0.23/wp. On the other hand, the international module prices are expected to register a higher fall of 20-25% owing to oversupply.

*Module prices declined over 85%% from fiscal 2015 to 2024 (USD/Wp)*



Source: Industry, CRISIL MI&A-Consulting

### ***Fiscal and regulatory incentives***

The Indian government has been offering a variety of incentives to encourage the development of solar power plants.

**PM Surya Ghar Muft Bijli Yojna:** For further sustainable development and people’s well-being, the Central Government in February 2024 launched the PM Surya Ghar: Muft Bijli Yojna. This scheme has a proposed outlay of Rs. 750 billion and aims to light up 10 million households by providing up to 300 units of free electricity every month.

**CPSU Scheme:** The Central government introduced the CPSU scheme Phase I in 2015 to promote the set-up of 1,000 MW grid-connected solar PV power projects by CPSUs and government organisations with Viability Gap Funding (VGF). Further, the Central Government in March 2019, approved implementation of CPSU Scheme Phase-II for setting up grid-connected Solar PV Power Projects by Central and State PSUs, Government Organisations, with VGF support of Rs 85.8 billion, for self-use or use by Government/ Government entities, either directly or through Discoms. The maximum permissible VGF was initially two tranches and was kept at Rs 7 Mn/MW which was subsequently reduced to Rs 5.5 Mn/MW for third tranche. Under this Scheme, the Government has so far sanctioned about 8.2 GW capacity of solar PV power plants to various entities. Ability of CPSUs to execute the scheme at ground level and consumer awareness will play key roles in success of the Scheme.

**Annual Bidding Trajectory:** MNRE has prescribed an annual bidding trajectory for RE power bids to be issued by Renewable Energy Implementation Agencies (REIAs). Bids for 50 GW per annum RE capacity, with at least 10 GW per annum Wind power capacity, are to be issued each year from 2023-24 to 2027-28. This is expected to help in achieving the targets specified for 2030. Bids of 35.51 GW have been issued by four REIAs (SECI, NTPC, NHPC & SJVN) in fiscal 2024 till December 2023.

**National Solar Mission:** Central-level allocations under NTPC Vidyut Vyapar Nigam Limited (NVVN) Batch II, Jawaharlal Nehru National Solar Mission (JNNSM) Phase II Batch III and IV have been almost entirely commissioned.

### ***Operational support to execute solar projects***

Apart from providing incentives, the government has lent significant support to the solar power sector for execution of projects.

**Solar parks and ultra mega solar power projects:** One of the most important initiatives by the GoI has been setting up of solar parks in the country. To overcome the land and transmission related challenges, the scheme for “Development of Solar Parks and Ultra-Mega Solar Power Projects” was rolled out in December 2014 with an objective to facilitate the solar project developers to set up projects expeditiously.

As per the available information, Solar Parks / UMREPPs of aggregate capacity of 39284 MW have been envisaged for development in the country as on 30th September, 2024. Of these, the capacity of 10931 MW has already been commissioned while 8983 MW capacity is under construction and 19370 MW is under award/tendering process.

### ***Favourable technology***

Solar power is becoming increasingly attractive due to falling module prices and improving efficiency resulting from excess manufacturing capacity in China and technology advancements, respectively.

On the project development front, developers are exhibiting heightened preference for bifacial modules that typically have higher efficiency relative to mono-facial modules and are compatible with tracker technology. In 2023, the share of bifacial variant in module imports increased from 8% in Q1 2022 to 37% in Q4 2023. On the other hand, multi-crystalline modules are being phased out due to lower efficiency and higher degradation rate – share of import volume was negligible in 2023.

Currently, the solar PV market is dominated by monocrystalline silicon technology. Within monocrystalline technology, Mono PERC is an advanced version that employs dielectric passivation film on the rear surface of the cells which increases the efficiency levels. These cells are currently leading the market due to higher efficiency, cover less space, higher output in low light conditions and are available at competitive pricing.

In addition to process improvements, the development of new solar cell designs is essential for achieving further efficiency gains while simultaneously reducing material intensity and manufacturing costs. The p-type to n-type migration is currently underway and paving the way for new technologies – by end of 2023, n-type technologies including TOPCon, heterojunction (HJT) and back contact represented 42% of China's total module manufacturing capacity (7% in 2022).

In addition, there are ongoing considerations for mass manufacturing of multilayer and tandem silicon-perovskite or silicon-CdTe hybrid solar panels. These innovative solutions have the potential to significantly increase cell efficiency, surpassing the 30% mark, while maintaining competitive production costs and promise to make solar power an even more compelling and sustainable energy solution in the years to come.

### ***Green Hydrogen and green ammonia push***

India has announced a target of energy independence by 2047 and a net-zero by 2070. Green Hydrogen is expected to play a substantial role in achieving these goals. The production of Green Hydrogen using renewable energy sources like solar, wind, and hydropower can provide energy security, reducing dependence on fossil fuels and ensuring a stable and reliable source of energy. Hence, India has launched the National Green Hydrogen Mission with an outlay of Rs. 197.44 billion with a target of 5MMT production capacity of Green Hydrogen per annum. Green hydrogen push from the government will likely push for the installation of solar energy for consumption.

In July 2023, SECI has issued a tender for selection of green hydrogen producers for setting up 450,000 TPA production facilities for green hydrogen in India under the SIGHT Scheme (Mode-1-Tranche-I). Moreover, in July 2024, MNRE notified guidelines under SIGHT Scheme (Mode-1-Tranche-II) with a capacity of 450,000 TPA. SECI has already issued a tender for Tranche-II which is expected to be concluded soon. The Government of India has already initiated pilot scheme for use of hydrogen in shipping, steel and transport sector.

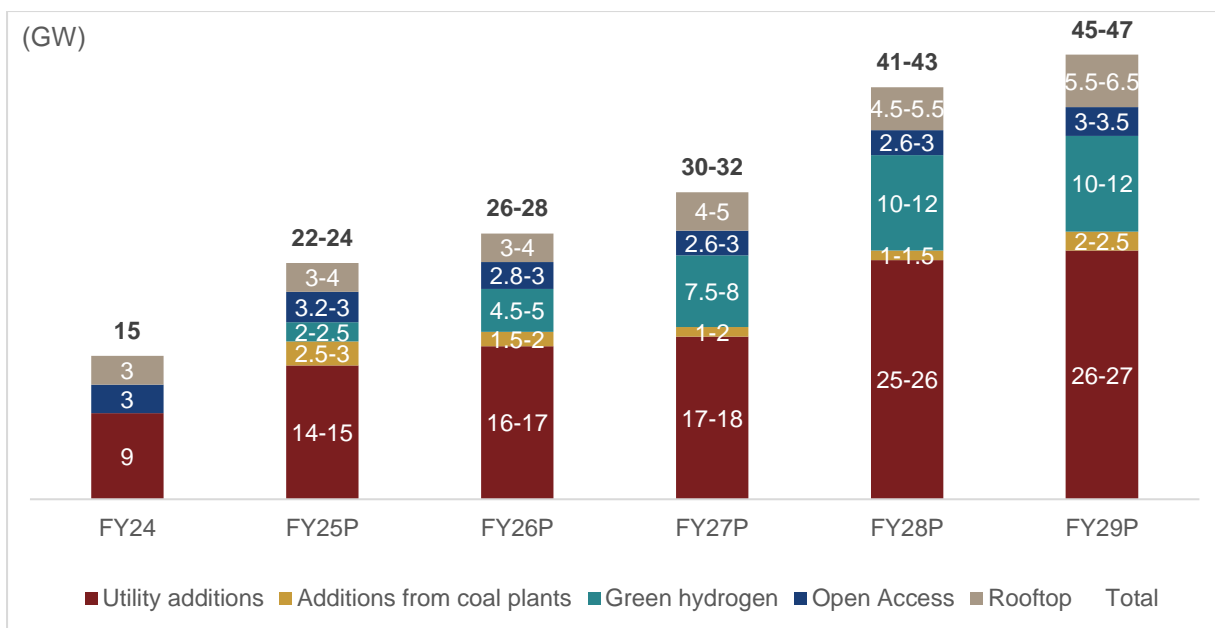
The Green Hydrogen Mission will have wide ranging benefits- creation of export opportunities for Green Hydrogen and its derivatives; Decarbonisation of industrial, mobility and energy sectors; reduction in dependence on imported fossil fuels and feedstock; development of indigenous manufacturing capabilities; creation of employment opportunities; and development of cutting-edge technologies.

### ***Outlook on Solar capacity additions in India***

Solar sector growth in India primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Some of the key catalysts include technological advancements, affordable financing, supportive policies, thrust on go-green initiatives/sustainability targets, cost optimisation due to increased grid electricity tariffs, subsidy initiative (specially in rooftop solar) and various incentives such as ISTS charge waiver. CRISIL MI&A-Consulting expects 137-142 GW of solar capacity additions over fiscal 2025-2029. This will be driven by additions under:

- *NSM*: The entire NSM Phase II Batch II Tranche I of 3,000 MW has been commissioned. Under NSM Phase II, Batch III, and Batch IV, SECI through its state specific VGF has tendered out ~7 GW of capacities, most of which has been completed.
- *Other central schemes*: SECI has also started tendering projects outside the JNNSM Batch programme. It has initiated the ISTS scheme, wherein projects are planned for connection with the ISTS grid directly. Under this, SECI has already tendered and allocated ~35 GW (including hybrid).
- *State solar policies*: ~24 GW of projects are under construction and are expected to be commissioned over the fiscal 2025-2029. Based on tendered capacities by states at the end of June 2024, a further ~24 GW capacity of solar projects is expected to be up for bidding over the same duration.
- *PSUs*: The CPSU programme under JNNSM has been extended to 12 GW in February 2019. The government is also encouraging cash-rich PSUs to set up renewable energy projects. Group NTPC (NTPC Limited) has commissioned 4,013 MW as on 30.09.2024 . It has a target of installing ~60 GW of renewable energy capacities by fiscal 2032. Similarly, NHPC Limited had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC India Limited, defence organizations, and governmental establishments are also expected to contribute to this addition.
- *Rooftop solar projects*: CRISIL MI&A-Consulting expects 20-22 GW of rooftop solar projects (under the capex and opex mode) to be commissioned by fiscal 2029, led by PM Surya Ghar Yojana and industrial and commercial consumers under net/gross metering schemes of various state.
- *Open-access solar projects*: CRISIL MI&A-Consulting expects 13-15 GW of open-access solar projects (under the capex and opex mode) to be commissioned by fiscal 2028, led by green energy open access rules 2022, sustainability initiatives/RE 100 targets of the corporate consumers, better tariff structures and policies of states such as Uttar Pradesh and Karnataka, which are more long term in nature.
- *Push for Green hydrogen*: Production for green hydrogen is expected to start from fiscal 2026 with production of 0.5-1 million tonnes of production. The government has set the target production of 5 million tonnes of green hydrogen by 2030. As per announcement, we expect 2.0-2.2 MTPA of green hydrogen to commission which can lead to further upside of solar capacity of 32-37 GW, by fiscal 2029. However, developers may tie-up via grid / open access and not go to the captive route generation under this segment will remain a monitorable.

#### ***1Year wise expected solar capacity addition***



Source: CRISIL MI&A-Consulting

Also, the global conglomerate such as Amazon, Microsoft has set their sustainability goals and procuring more and more renewable energy in India to set off their global GHG emission. This also provides a lucrative opportunity for IPPs to sign PPAs for RE capacity.

The European Unions’ (EU) Carbon Border Adjustment Mechanism (CBAM) is the EU’s tool to put a fair price on the carbon emitted during the production of carbon intensive goods that are entering the EU, and to encourage cleaner industrial production in non-EU countries. The CBAM is expected to have a significant impact on solar capacity additions in non-EU countries. With increasing adoption of solar energy, CBAM is expected to contribute to overall growth of the market. The CBAM is expected to drive the renewable energy demand for energy intensive industries who export their products in European markets in order to follow their norms regarding carbon emission and avoid imposition of penalties for non-adherence to such rules & regulations.

### Progress on T&D infrastructure, interregional transmission capacity

#### Market review

Robust generation capacity addition over the years and government’s focus on 100% rural electrification through last mile connectivity has led to extensive expansion of the T&D system across the country. The total length of domestic transmission lines rose from 413,407 circuit kilometres (ckm) in fiscal 2019 to 485,544 ckm in fiscal 2024.

There has been strong growth in the transmission system at higher voltage levels and substation capacities. This is a result of increased requirement of the transmission network to carry bulk power over longer distances and at the same time optimise the right of way, minimise losses and improve grid reliability.

The total transmission line length (above 220 kV) has increased at 3.3% CAGR from fiscal 2019 to fiscal 2024. This increase can also be attributed to an increase in the commissioning of the 765-KV lines, growing at a CAGR of ~6% over the same period. 765 kV lines have higher transfer capacity and lower technical losses thereby reducing the overall number of lines and rights of way required to deliver equivalent capacity. Performance in a transmission line improves as voltage increases and as 765 kV lines use one of the highest voltage levels, they experience comparatively lesser amount of line loss. 800 kV lines have also shown strong growth momentum, rising at 9.5% CAGR over the last 5 fiscals, majorly owing to strong investments by the central sector.

Inter-regional power transmission capacity of the National Grid has grown strongly from 99,050 MW in fiscal 2019 to 118,740 MW in fiscal 2024, at a CAGR of 3.7%. Subsequently, transformation capacity rose from 899,663 MVA in fiscal 2019 to 1,251,080 MVA in fiscal 2024, growing at a CAGR of ~6.8%.

#### Plans to increase grid infrastructure

Report on “Transmission System for Integration of over 500 GW RE Capacity by 2030” published by CEA portrays the broad transmission system roadmap for reliable integration of 537 GW RE capacity by the year 2030.

The length of the transmission lines and sub-station capacity planned under ISTS for integration of additional wind and solar capacity by 2030 has been estimated as 50,890 ckm and 433,575 MVA respectively at an estimated cost of Rs 2442 billion.

The present inter-regional transmission capacity is 118,740 MW. With the additional inter-regional transmission corridors under implementation/planned, the cumulative inter-regional transmission capacity is likely to be about 150,000 MW in 2030

Furthermore, central government has planned to achieve 500 GW capacity from non-fossil fuel-based energy sources by 2030. Solar and wind will play a more role in achieving the said target. The share of renewable energy (incl. hydro and energy storage) in the installed capacity mix is expected to reach ~62% in fiscal 2029 from ~43% in fiscal 2024.

Such multifold expansion plans also require large scale development in transmission sector. This is mainly because large scale grid connected solar and wind plants are usually located in the far-flung areas, where there is limited existing transmission infrastructure. Moreover, renewable energy is not well distributed across states and is in-firm in nature. Robust transmission planning is required to optimize the high costs, utilization levels and losses associated with transmission system to transmit the power generated to load centres is critical.

For enabling growth of RE capacity, areas which have high solar and wind energy potential, needs to be connected to ISTS, so that the power generated could be evacuated to the load centres.

MNRE/SECI have identified REZs totaling 181.5 GW for likely benefits by the year 2030. These REZ’s are in eight states as detailed below:

***Cost competitiveness and other advantages of solar power***

The sun is the most abundant source of energy on the planet, and it is completely replenishable. Solar energy plants do not pollute the environment and take less time to build than wind and hydroelectricity power plants. Solar energy plants can be set up anywhere, especially in country like India where sunshine is almost available for more than 8-10 months across country.

With Energy storage solutions, solar can become an affordable energy option for round the clock supply.

***Comparison of solar with different energy sources***

<b>Utilization Factor</b>	~20-25%	~25%-30%	~40-45%	70-80%	80-85%
<b>Clean energy</b>	Yes	Yes	Yes	No	No
<b>Time to construct</b>	Less	Moderate	More	Moderate	More
<b>Initial Cost</b>	Moderate	High	Very high	High	High
<b>O&amp;M Cost</b>	Low	High	Low	Moderate	Moderate
<b>Impact of environment</b>	Low	Medium	High	Medium	High
<b>Water requirement for cleaning/cooling purpose</b>	Low	NA	NA	Medium	High

Source: Industry, CRISIL MI&A Consulting

***Key challenges/bottlenecks in solar power development***

Notwithstanding the high potential of solar energy, it is mired with some challenges. Overcoming these challenges will be critical for the successful implementation of solar projects.

***Availability of contiguous parcels of land:*** With rapid capacity additions and intense competition, it becomes imperative for developers to acquire land at competitive costs and in areas with high levels of solar irradiance. The 40 GW solar park scheme, which provides land to successful bidders for setting up of the projects, is facilitative in this aspect.

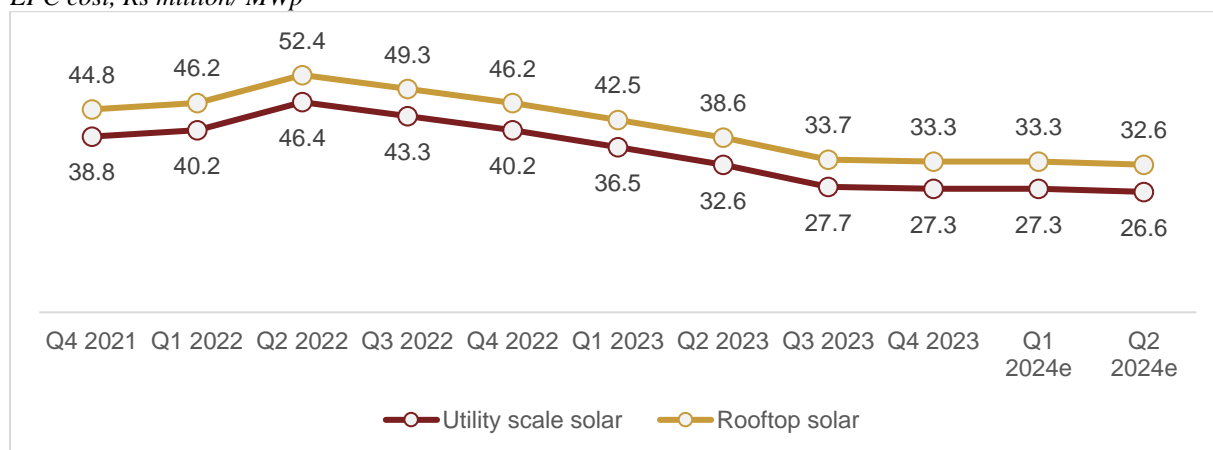
***Adequacy of evacuation infrastructure:*** Grid integration of renewables is key to the sector's growth. Instances of

delay in readiness of transmission infrastructure at solar parks have caused concern among developers. However, an aggressive roadmap to add an incremental ~100 GW via new schemes and existing available capacity to the grid should be adequate for the expected solar capacity additions' timely execution is critical

**Availability of low-cost capital:** With the emergence of several large players in the sector, scale, and experience have aided fund-raising to an extent, especially with the backing of several foreign investors. However, after factoring in the weak rupee, the conservative risk appetite of lenders, and other added cost pressures, it is imperative for developers to maintain prudent capital management over the long term. To mitigate these factors, developers have been tapping alternative/new routes to raise money from time to time. Furthermore, the other key monitorables are deterioration in the financial profile of distribution utilities resulting in offtake issues and payment defaults, declining power deficit, and aggressive bidding.

**Project capex and O&M cost movements**

EPC cost, Rs million/ MWp



Source: Industry, CRISIL MI&A Consulting

Note: EPC cost for utility scale projects is estimated using imported mono-crystalline modules in a fixed tilt layout and central inverters. EPC cost for rooftop solar systems is estimated for a typical industrial installation on a metal roof.

Solar project CAPEX trend has largely followed global module price trends. On the O&M front, costs have decreased by around 30% in the last 3-4 years to around Rs 0.18-0.25 Mn/MW/annum due to experience gained by service providers coupled with technology adoption including robotic cleaning.

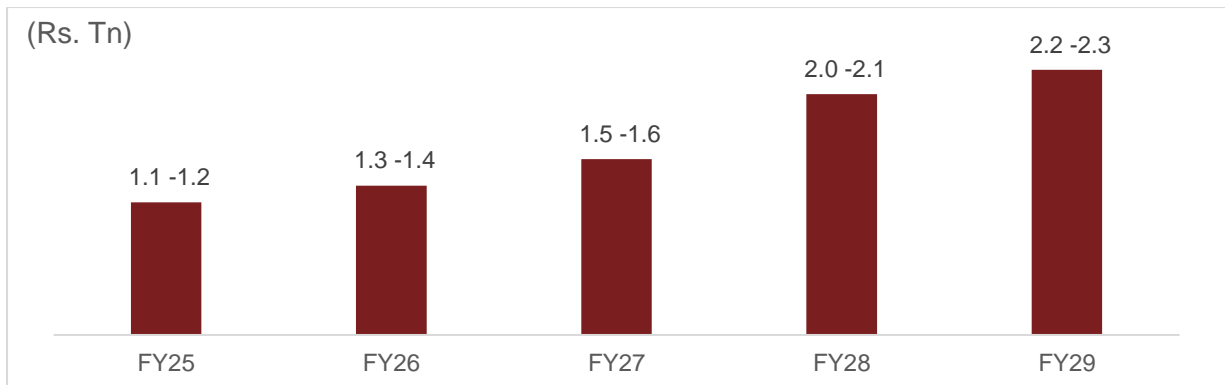
**Expected investment in solar segment**

CRISIL MI&A Consulting foresees a surge in solar power capacity, reaching 125-130 GW from fiscal years 2025 to 2029, significantly surpassing the 50-55 GW added between fiscal years 2019 and 2024. This growth is primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Key catalysts include technological advancements (e.g., floating solar and module efficiency), affordable financing, and supportive policies. Nevertheless, escalating component prices and added taxes may elevate capital expenditures, affecting the willingness of state discoms to procure solar power.

CRISIL MI&A Consulting expects consolidation to continue with the ongoing quest for a larger portfolio among big players and several smaller firms exiting the sector due to increased competition. CRISIL MI&A Consulting estimates investment requirements to the tune of Rs. 8-8.5 trillion over fiscals 2025 to 2029 as compared to Rs 3.5-3.6 trillion over fiscals 2019 to 2024.

*Expected investments in the solar energy generation sector in India*





Source: Industry, CRISIL MI&A Consulting

## Overview of Wind sector in India

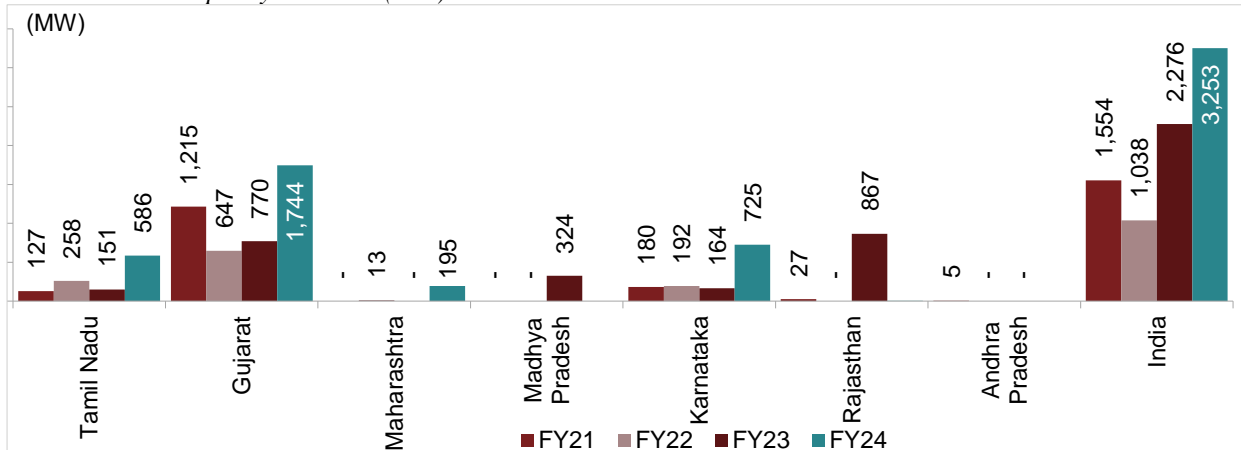
### Evolution of Wind Power in India

India has a vast wind energy potential, estimated at 695.5 GW at 120 meters above ground level (AGL) as per estimates by the National Institute of Wind Energy.

India has the fourth largest installed wind power capacity in the world, with ~47 GW as of 30<sup>th</sup> September 2024. Wind power accounted for nearly 10.5% of India's total installed utility power generation capacity. India's wind power installed capacity increased at a CAGR of approximately 7% from 26.8 GW in Fiscal 2016 to 47.4 GW in Fiscal 2025 (As of September 2024). Wind power capacity is mainly spread across the southern, western, and northwestern states of India. Leading states in wind power installations include Tamil Nadu, Gujarat, Maharashtra, Rajasthan, and Karnataka. Wind capacity additions

Wind power has witnessed a healthy capacity addition of ~1.48 GW in six months of fiscal 2025 vis-a-vie ~3.25 GW in Fiscal 2024. In fiscal 2023, ~2.28 GW wind power capacity was installed on the back of commissioning under several schemes that have been pending - SECI Tranche IV, V and VI. The rising trend of hybrid power (solar plus wind) projects coupled with moderation and stabilisation in key commodity prices has also supported growth.

### State-wise wind capacity additions (MW)



Source: MNRE, CEA, CRISIL MI&A-Consulting

The top five states (Gujarat, Tamil Nadu, Karnataka, Rajasthan, Maharashtra) make up ~84% of the installed wind capacity (as of 31 March 2024), with some regions within these states accounting for most wind power projects. Since April 2021, ~80% the new capacity additions have happened in 3 states – Gujarat, Tamil Nadu, and Karnataka.

The weighted average discovered tariffs for allocated capacity of competitively bid projects for FY24 is Rs 3.4/kWh as against Rs. 3.1-3.3/kWh tariff required for earning 10-13% equity IRRs. The weighted average tariff of allocations in FY 2023, have averaged at Rs 3.0/kWh, providing an indication that developers are factoring in

increased commodity costs and other execution related risks. The latest auctions held in Feb 2024 recorded a weighted average tariff of Rs 3.63/kWh.

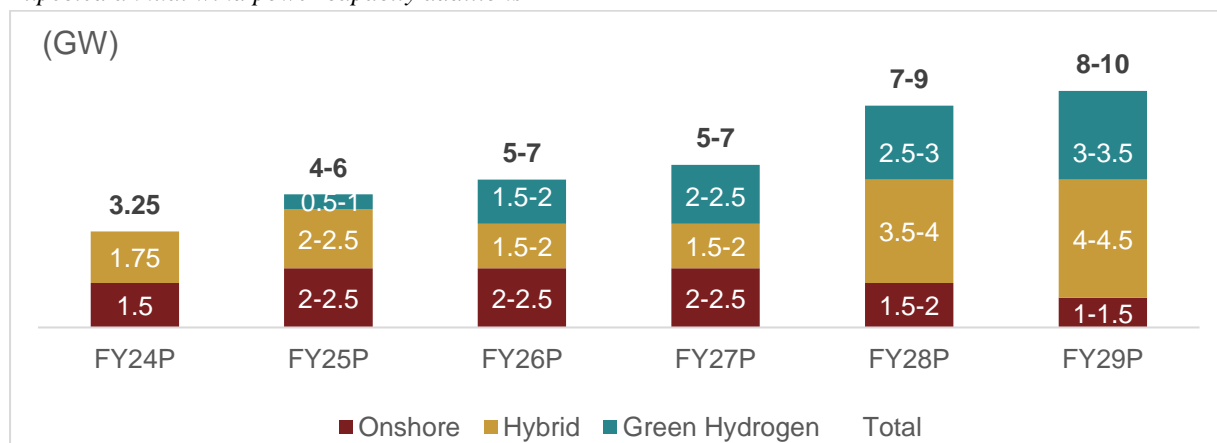
**Outlook for capacity additions**

CRISIL MI&A-Consulting expects capacity additions to grow over the next five years led by pipeline build-up under existing schemes and new tendering schemes, improvement in technology, thrust on green hydrogen, renewable generation obligation and mixed resource models (RTC, hybrid, FDRE etc.). Round the Clock renewable energy (RTC-RE) project is a form of supply that combines storage system such as battery energy storage system or PSP with Solar, Wind or Hydro to meet a demand at a desired availability and cost. However, incremental challenges pertaining to wind-site/land availability, grid connectivity, and viability at low tariffs due to elevated capital cost pose challenges for the sector.

Led by India's ambitious clean energy targets declared under NDC, focus on clean segments such as wind is expected to continue coupled with a healthy pipeline existing in the segment. The government policy to tender 10 GW wind capacity annually till fiscal 2028 will further boost the capacity additions. The Central Government is also contemplating for renewable generation obligation (RGO) mandating thermal power generators to generate certain % of their additional capacity from renewable energy. Capacity additions over the long term will also be driven by increased hybrid tenders, storage and new business model-based tenders. Central government allocations under relatively strong off-takers such as SECI and PTC, reduces risk and would support developer interest. State allocation, on the other hand, has slowed as several states have instead signed power sale agreements (PSAs) with PTC and SECI for procurement of wind power to help fulfil their non-renewable purchase obligation targets.

Considering above, CRISIL MI&A-Consulting expects wind power capacity additions to remain at ~34-36 GW over fiscals 2025-2029, higher than the ~10 GW seen over fiscals 2018-2023.

*Expected annual wind power capacity additions*



Source: CRISIL MI&A Consulting

**Key factors to drive wind energy capacity additions**

*New tender opportunities*

New opportunities have emerged in the wind sector in India with SECI tendering projects including hybrid, round-the-clock, peak power supply and FDRE projects, all of which require a mix of resources, including wind.

*Improved technology*

Newer wind turbines are being launched that have higher rated capacity and higher hub height (120 -140 m), which can be set up at low-quality wind sites. Technological advancements have allowed players to set up windmills in states/sites with lower wind density. Based on our estimates, for every 100-bps change in PLFs, equity IRRs improve by 100-150 bps. Innovations in blade technology with lower weight which allows for

building longer blades with lower mass. These improvements in technology will enable lower levelised cost and capacity additions outside the windy region, thereby driving capacity additions.

#### *Large-scale central allocations*

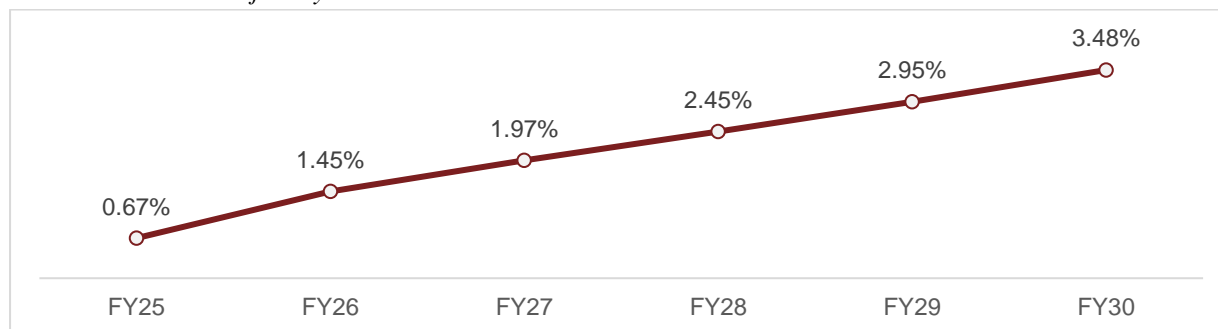
Post competitive bidding of 1 GW by SECI in February 2017, SECI further allocated ~15 GW (excluding cancelled contracts) of capacities over March 2017-Feb 2024 through wind only schemes. MNRE has outlined further plans to tender 10 GW of capacity each year by RE Implementing Agencies (like SECI, NTPC, NHPC, SJVN). This bodes well as central sector PPAs have lower counterparty risk compared with PPAs directly with discoms. The latter are known to delay payments to developers and have poor financial ratings, while SECI and PTC are better rated and provide various payment security mechanisms (LCs, payment security fund and SECI, NTPC, NHPC, SJVN being party to the tripartite agreement).

Major payment security mechanisms to de-risk investment in renewable energy inter- alia include Letter of Credit (LC); Payment Security Funds and Tripartite Agreement (TPA) between Ministry of Power, RBI and State Government (if applicable). These instruments are invoked in case of delays/default in payment to Renewable Energy Generating Companies and have been further strengthened by the notification of the Late Payment Surcharge Rules, 2022.

#### *Upward revision in RPO targets*

The MoP provided a new RPO long-term trajectory for wind energy till fiscal 2030 which proposes target of 0.67% for wind in fiscal 2025, increasing consecutively to 3.48% in fiscal 2030 for wind.

#### *Revised Wind RPO trajectory*



Source: MoP; CRISIL MI&A-Consulting

Most states in India have set lower RPO targets (pan-India avg. non-solar RPO target in fiscal 2023 is 8.9% vs 10.50% required as per MoP), resulting in higher compliance vis-à-vis the set targets. To meet the increased targets, states would have to procure more RE either via the REC route (which still leads to capacity additions) or via competitive bid out capacities. Waiver of ISTS charges by CERC for all projects set up until fiscal 2025 also enables states with low RE potential to procure from more able states. However, RPO compliance is dependent on strict enforcement by regulatory authorities. Amendment to the Electricity Act, 2003 has been proposed to include stricter provisions on penalty for non-compliance; however, this is yet to be passed.

#### *Accelerated depreciation*

Historically, particularly in fiscals 2015 and 2016, accelerated depreciation (AD) had been a key driver for capacity additions. However, going forward, CRISIL expects capacity additions under this mode to be restricted only to large conglomerates in other unrelated businesses but seeking tax breaks. While AD was halved to 40% from April 2017 onwards, it will continue to support additions in open-access segment.

#### *High industrial tariffs in select states*

In states such as Maharashtra, Karnataka, Tamil Nadu, and West Bengal, where industrial tariffs are high (Rs 6-6.5/unit), wind power is an attractive option since generation cost is about Rs 3.0-4.0/kWh. Capacity can be set up via the open-access mode, i.e., bilateral agreements directly with consumers such as commercial/industrial entities.

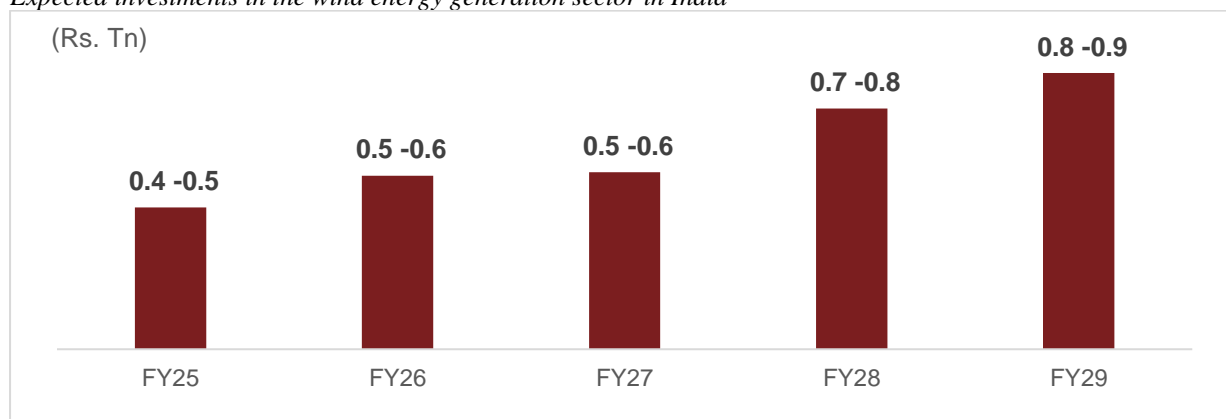
***Movement of the project capital costs and O&M costs***

Increase in prices for key commodities (4% and 26% y-o-y rise in cement and steel prices, respectively, in fiscal 2022 and further increase of ~3% and 4% in fiscal 2023), along with supply chain disruptions due to Russia-Ukraine crisis, contributed to cost escalations and higher capital cost for wind projects. Further, the shift in trend of larger size turbines of over 3 MW has further increased cost pressures. In fact, the commodity price surge has been one of the principal reasons for stagnation of growth in the industry as it has translated into lower project returns, which has impacted project commissioning since the second half of fiscal 2022. CRISIL MI&A-Consulting expects key commodity prices to reduce by 5-7% during fiscal 2025. This is expected to reduce the capital costs by 2-3%.

***Expected investment in wind segment***

CRISIL MI&A Consulting expects wind power capacity additions to grow over the next few years, mostly driven by green hydrogen, central and state allocations, and a pent-up pipeline. The previous change in the bidding mechanism has caused a slowdown in the industry due to a significant fall in tariffs, where both bid response and profitability for OEMs have dropped, however, new bidding guidelines along and increased tendering till FY28 to boost prospects in the sector. CRISIL MI&A Consulting expects wind capacity additions of 34-36 GW over fiscals 2025-29, entailing investments of ~Rs 2.75-3.0 trillion over the period.

***Expected investments in the wind energy generation sector in India***



Source: CRISIL MI&A Consulting

**Overview of Wind Solar Hybrid sector**

***Overview of Indian wind solar hybrid market***

WSH is fast becoming the preferred RE option in India. Although the MNRE has not yet set a generation target, the nascent sector has received strong support from SECI and several state governments. There are two types of WSH projects — pure-play ones and those with storage. There are also projects that may come up under the government’s RTC power scheme, which has a mandatory 51:49 blend of RE and thermal.

India has introduced RTC generation tenders, including hybrid tenders to strengthen clean generation combining solar, wind and storage technologies. The MNRE introduced the National Wind-Solar Hybrid Policy on May 14, 2018. The main objective of the policy is to provide a framework for the promotion of large grid-connected wind-solar PV hybrid systems and efficient utilisation of transmission infrastructure and land. It also aims to reduce the variability in renewable power generation and achieve better grid stability. As on April 30, 2024, hybrid projects of aggregate capacity 15022.82 MW are under construction in the country. It is expected that India will witness 15-17 GW of WSH capacity addition in the next five years (fiscal 2025 to fiscal 2029), of which around 6-7 GW will be from wind.

## ***Key growth drivers***

Wind Solar Hybrid segment in India is experiencing rapid growth, driven by several key factors:

- *Potential:* India has around 696 GW (120 m hub height) wind potential and around 750 GW of solar potential. Currently only around 10% of the potential is developed and balance 90% of the potential yet to be exploited. This provides huge opportunities for wind and solar development.
- *Geographical advantages:* India's coastline provides high wind speed as well as excellent solar potential. State such as Gujarat, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh have excellent wind as well solar potential. Such an advantage provides a great opportunity for hybridisation. Depending on the project requirements, the hybrid projects can be co-located or located in different locations also making it more flexible even if natural resources are located in different places.
- *Complementary resources:* Wind and solar sources complement each other. Due to their inherent characteristics, they generate power during different times of the day as well as seasons. Wind power is at its maximum during nighttime whereas solar power is available only during the day. Therefore, for 24X7 supply, they complement each other and hence WSH projects provide more reliable power and can be used for round-the-clock (RTC) supply.
- *Resource optimisation:* Co-located WSH plants can help in resource optimisation. With optimum land utilisation and infrastructure sharing, the wind and solar resources can be optimally utilised leading to better CUF as well as cost optimisation. With energy storage facilities, the WSH plants help in better grid management and higher penetration of renewable energy into existing power systems.
- *Policy push:* Government of India's policy push has also helped the WSH segment. With increased ROP targets, VGF funding, PLI schemes, solar park schemes, simplified land allocation has helped both the resources (wind and solar) to thrive.

## **Constraints in setting up hybrid power plants**

### *Lack of good sites*

WSH projects require wind and solar plants to be co-located to inject power into the same pooling station. This means the ideal location should have good irradiation and experience high wind speeds. But such locations are hard to find, especially as all major windy areas with strong grid evacuation facilities have been saturated. Hence, the industry has demanded that wind and solar plants of a WSH project be allowed to operate from different locations. This will also help bring down tariffs owing to better plant optimization levels. The only advantage of co-location is better optimization of transmission infrastructure. However, CRISIL MI&A Consulting believes the advantage from reduced tariff (when wind and solar units are located separately) is much higher than the benefit of improved transmission capacity optimization (with co-location).

### *Grid balancing requirement poses implementation risks*

Developers are required to balance the grid before injecting electricity generated from a co-located WSH plant. This means they need to simulate the ideal wind and solar generation mix from the plant, in order to optimize the hybrid curve. This may lead to additional implementation risks for a developer.

### *Optimal sizing*

The size of the WSH plant differs from state to state depending on the resource availability. Optimal sizing of storage is also a pertinent question. Overloading or oversizing may lead to underutilisation during the peak generation period (daytime in summers or night-time in monsoons) resulting in storage capacity remaining unutilised or idle.

### *Higher tariff*

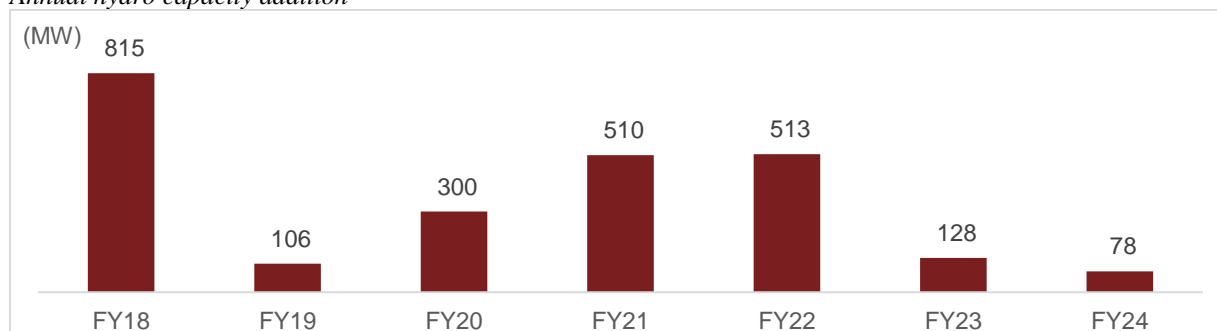
The average tariff for WSH projects is Rs 3.15-3.20 per kWh today — higher than solar tariff, which has dropped to Rs 2.55-2.56 per kWh in recent bids, and comparable to wind tariff, which has remained sticky at Rs 3.40-3.75 per kWh. And although cross-subsidising costly wind power with low-cost solar will provide some price cushion at the lower end, the pricing needs to be attractive to make WSH competitive.

## Review of Large hydro Power generation in India

### Overview of historical hydro capacity additions

In the last 6 years (fiscal 2018 to fiscal 2024) India has added only ~2,450 MW large hydro capacity. Central sector has led the capacity additions with commissioning of 600 MW of Kameng HEP, 330 MW Kishanganga followed by Private sector with 99 MW of Singoli Bhatwari HEP, 100 MW Sorang HEP, 180 MW Bajoli Holi HEP, 113 MW of Rongnichu HEP. No capacity has been added as of September 2024 in fiscal 2025.

### Annual hydro capacity addition



Source: MoP, CEA, CRISIL MI&A Consulting

The reassessment study (regarding basin-wise reassessment of hydroelectric potential in the country) was carried out by CEA during the period 2017-23. As per the study, the assessed hydropower potential from major / medium schemes (i.e., schemes having capacity above 25 MW) is about 133.4 GW. As of March 2024, 46.93 GW (35%) has been developed and 18.08 GW (13.6%) is under construction out of 133.4 GW of potential. Presently 38 no. of hydroelectric project (above 25 MW) totalling to 15,273.50 MW are under implementation. Out of these, 29 no. HEPs totalling to 14,037.5 MW are under active construction and 9 no. HEPs totalling to 1236 MW are presently stalled.

### Assessment of current support policies and issues in hydro power sector

- Declaring Large Hydro Power (LHPs) (> 25 MW projects) as renewable energy source:** To accelerate the growth of hydropower in the country, the MoP has set a target of 30 GW hydro capacity addition by 2030. In March 2019, MoP has declared Large Hydro Power Plants (LHPs) with the installed capacity > 25 MW as a renewable energy source.
- Putting in place a Hydro Purchase Obligation (HPO):** The MoP has set separate HPO targets. As per the MoP Notification dated 20<sup>th</sup> October 2023, the HPO targets range from 0.38% in fiscal 2025 to 1.33% in fiscal 2030.
- Tariff rationalization measures for bringing down hydro power tariff:** Tariff rationalization measures including providing flexibility to the developers to determine tariff by back loading of tariff after increasing project life to 40 years, increasing debt repayment period to 18 years, and introducing escalating tariff of 2%.
- Budgetary support towards cost of enabling infrastructure, i.e., roads/bridges:** The budgetary support for Enabling Infrastructure i.e., roads/ bridges for Hydropower projects would be provided by the MoP. The limit of this budgetary support would be Rs. 15 million per MW for projects up to 200 MW and Rs. 10 million per MW for projects above 200 MW with construction starting after March 2019.

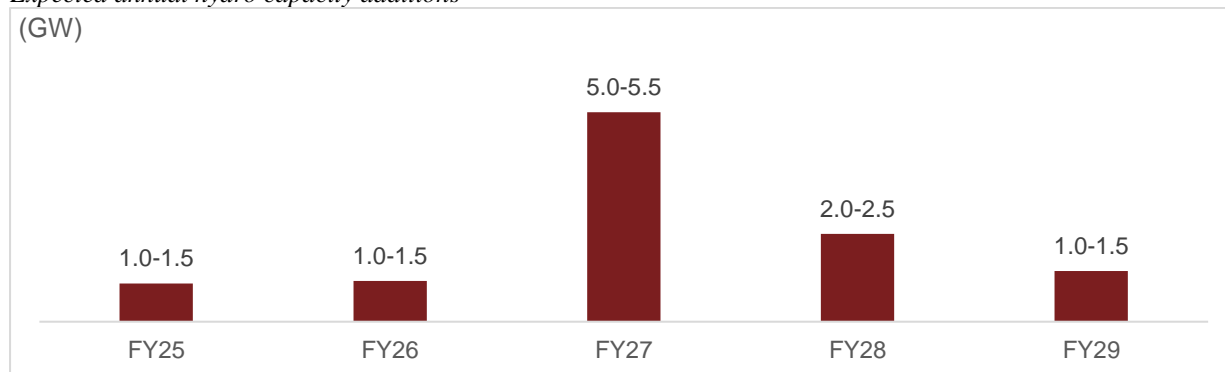
- **Waiver of ISTS charges:** 100% ISTS charges waiver for new hydro power projects in which construction work is awarded and PPA is signed on or before 30 June 2025. Subsequently, part waiver of ISTS charges, in steps of 25% from 01.07.2025 to 01.07.2028, has been extended for HEPs for which construction work is awarded and PPA is signed up to 30.06.2028.

### **Outlook on hydro capacity additions in India**

CRISIL MI&A Consulting expects 11-12 GW of hydro power capacities to be commissioned (out of 14 GW presently under construction) over fiscals 2025-29 as against ~2.5 GW added during fiscals 2018-24. CRISIL MI&A Consulting further believes the central sector (NHPC and NTPC) will lead capacity additions in hydro power with 4-5 GW additions, followed by the state sector (Andhra Pradesh, Tamil Nadu, Himachal Pradesh, Uttarakhand) amounting to 2-3 GW and about 3 GW would be installed by other JV utilities such as SJVN, THDC, etc. Several private projects with aggregate capacity of 390 MW are also in the advance stages of construction and are expected to get commissioned by fiscal 2026.

Investments by hydro power giant NHPC rose by a staggering 52% to Rs 108.57 billion in fiscal 2024 from the revised estimates of Rs 71.29 billion for fiscal 2023. This is expected to provide the much-needed push to hasten the completion of hydro projects.

#### *Expected annual hydro capacity additions*



Source: CEA; CRISIL MI&A Consulting

### **Key issues/ challenges in hydro power projects in India**

The development of hydro power projects faces difficulties in land acquisition, lack of infrastructural facilities like road and communication, environment and forest issues, resettlement and rehabilitation problems, paucity of funds, longer gestation period, geological surprises, inter-state aspects, non-availability of hydrological data, security restrictions in border areas, lack of adequate skilled manpower and contractual problems.

Hydropower projects involve submergence causing the displacement of project area people. The rehabilitation of project affected people is also a major issue. Further, getting forest and environment clearances also delays the project. Many hydropower projects with common river systems between adjoining states are held up due to a lack of inter-state agreements and disputes on water-sharing.

Hydro projects require higher upfront costs to address greater complexities in design, engineering, environmental and social impact mitigation, etc. Most hydro projects take at least 5-6 years to construct which increases the interest during construction. Although the operating cost of hydro projects are minimal, and the project life is longer but there are other multiple factors that make hydropower difficult to finance. The technical challenges in hydropower development often result in time and cost overrun, posing additional risks for financiers. Delay in cash inflows increase uncertainty and risks, resulting in higher risk premium on financing charges.

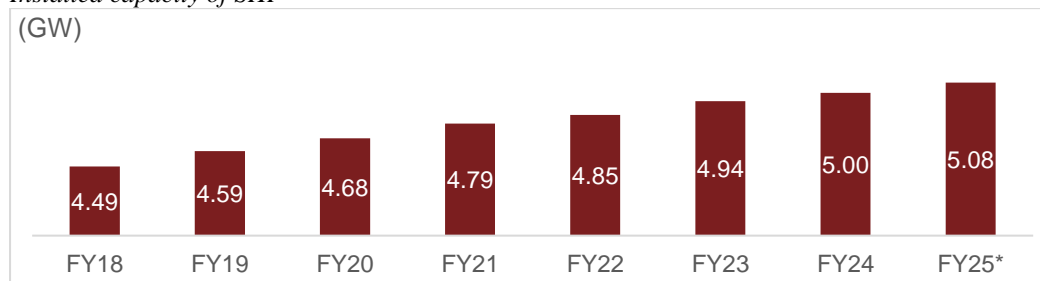
Hydropower projects are mostly located in remote areas which do not have adequate demand for electricity. This creates the requirement for developing enabling infrastructure for power evacuation. It also requires the development of associated infrastructure such as roads and bridges in the area.

### **Overview of Small Hydro sector**

Hydro Power projects are classified as large and small hydro projects based on their sizes. In India, Hydro Power plants with capacity of 25 MW or below are classified as Small Hydro. As per MNRE, the estimated potential of small / mini hydel projects is 21,133 MW from 7,133 sites for power generation. Of the total 21.1 GW of potential, over 60% lies in these five states namely, Karnataka, Himachal, Arunachal Pradesh, Jammu & Kashmir and Uttarakhand which includes over 45% of the total 7,133 sites.

As of September, 2024, the installed capacity of SHP is 5075.75 MW. In the last 5-6 years only ~483 MW of capacity was added at a CAGR of ~1.9%. Of the total potential, only 26% has been tapped so far.

#### *Installed capacity of SHP*



*\*As of September 2024, Source: CEA; CRISIL MI&A Consulting*

#### **Challenges in the small hydro power sector**

SHPs are environmentally friendly as they do not encounter the problems of large-scale land acquisition/deforestation and displacement of human settlements. Being located in remote locations and at the tail end of the transmission network, they help in improving voltage levels and can also feed into the local grid in case of a major grid failure, thereby avoiding complete black out. They improve the socio-economic condition of the adjoining areas as well as a large chunk of the investment made in the project feeds into the local economy. Moreover, Micro Hydel Projects (MHP) and Watermills also have the potential to meet the power requirements of remote areas, helping the local people in developing small scale industries.

Despite various benefits, SHP projects in general faces various implementation challenges. Developing an SHP involves complex procedures and requires diligent steps to decide the site, unit size and generating equipment. Many SHPs are scrapped due to low consumption of electricity and sometimes very small size SHP adversely affect the plant's viability. Usually, the life span of SHP is 35–50 years but some SHPs are closed down even before the end of the expected life due to faults in design and construction, obsolete equipment or non-availability of grid extension.

The river flow changes with season thus, measurement of flow rate should be carried out throughout the year in order to obtain proper discharge data. However, the absence of genuine data causes improper estimate of the power potential. Sedimentation is another issue that is often faced in developing hydropower projects. Absence of geological and sedimentation data has resulted in wrong design and caused closure of many hydropower projects. Problems are faced in acquiring land due to delays in obtaining permission from community or from government department like forest and environment.

#### **Energy storage**

##### *Overview of energy storage technologies*

Energy storage technologies can be broadly divided into four segments – mechanical, electromechanical, chemical, and thermal storage. However, only a few technologies are available on a commercial scale worldwide. Technologies such as pumped hydro storage (PHS), lithium, and sodium batteries are available commercially and are being used for different applications. Other technologies such as compressed air, flywheel, thermal and hydrogen storage, have yet to demonstrate their commercial viability at scale.

Pumped Hydro Storage Project (PHSP) is the most widely used and commercially available means of energy storage technology in India. However, the total installed capacity of PHSP is minuscule (~4% of the exploitable potential) in the country.

##### *Pumped hydro storage projects in India*



### Potential of PHS in India

The identified potential of PHS in the country is about 124 GW (comprising 114 PHSP). However, the operational capacity of PHSP is merely 4.7 GW, which indicates the large potential growth in this segment.

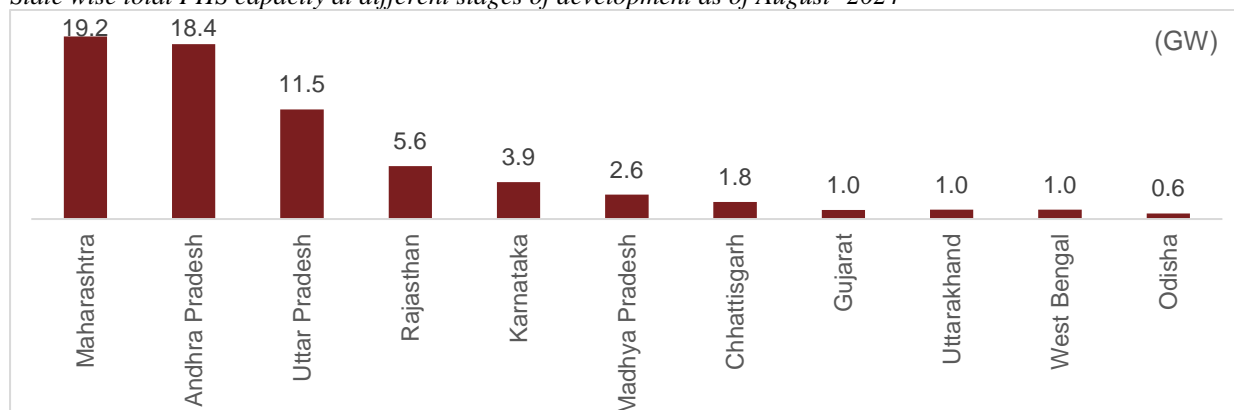
### Overview of PHS projects in India

As on August 2024, India has an installed capacity of 4.75 GW of on-river pumped storage projects in operation. Currently, out of the 8 pumped storage schemes with aggregate installed capacity of 4.75 GW, only 6 schemes with aggregate installed capacity of 3.31 GW are being operated in pumping mode.

There has been limited traction for PHS projects which is evident in tendering activities. As compared to RE sources, the tendering for PHS projects is very low. PHS projects have their own challenges which is also reflected in negligible capacity addition in last 5-6 years, largely on account of limitations in identification of suitable sites, relatively complex implementation, long gestation period and high capital cost that make viability a major issue. The guidelines released by the MoP in April 2023 will address many of these issues. However, traction in PHS projects will depend on steps to make tariffs attractive to discoms and mitigate implementation risk to fuel private sector participation.

PHS projects with aggregate capacity of 66,000 MW, are at different stages of development and are distributed among 12 States as shown in the below figure. Of these, over 60% of capacity is expected to be installed in two states, namely, Andhra Pradesh and Maharashtra.

State wise total PHS capacity at different stages of development as of August -2024



Source: CEA, CRISIL MI&A-Consulting

### Battery energy storage

Battery Energy Storage Systems (BESS) is another form of storage technology which has gained traction in the last few years. It has a very high energy density, making it appropriate to offer ancillary services. More importantly, BESS can be installed easily, requires less time for setup, and can be used for a wide range of grid support activities, such as energy time shift, distribution deferral, and energy arbitrage etc. The technology is yet to achieve its full potential to provide grid support services, and comes with high investment cost and changing technology, and therefore has associated risks. Further, batteries would require replacement or disposal after 10-12 years, depending upon usage and type of technology.

### Comparison of PHS vs BESS

A comparative analysis of PHS and BESS technology is mentioned below:

#### Comparison of PHS and BESS

Parameters	PHS	BESS
<b>Capital cost</b>	Total capital cost for a closed loop PHS ranges around ~Rs. 50-60 Mn/MW*	Lithium-ion battery storage can range from USD 550-700/kW (for a four-hour storage solution)
<b>Efficiency</b>	75-80%	80-85%
<b>Land requirement</b>	~2,000 m <sup>2</sup> /MW	~100 m <sup>2</sup> /MW
<b>Ideal storage duration</b>	6 – 12 hours	Upto 4 hours
<b>Response time</b>	30-90 seconds	In milliseconds

Parameters	PHS	BESS
<b>Project life</b>	40 – 50 years (life of dam/reservoir is over 80 years)	10-12 years
<b>Construction period</b>	4 – 5 years, it also depends upon other external and socio-political factors	1 year
<b>Operating cost</b>	Lower	Higher since batteries need to be replaced after certain period
<b>Estimated levelised tariff</b>	Rs 4 – 6 per kWh	Rs 5 – 7 per kWh
<b>Environmental impact</b>	Need substantial reservoirs which may cause environmental consequences, such as habitat destruction and changes in water flow downstream	Disposal of batteries is a major concern. If not taken care properly, may end up in landfills, posing risks of corrosion, flammability, and environmental contamination
<b>Execution and operational risk</b>	<ul style="list-style-type: none"> <li>Long approval process for land, environmental and forest clearances</li> <li>Rehabilitation and resettlement issues</li> <li>Limited naturally suitable sites</li> <li>Long gestation period with high construction risk</li> <li>Managing water requirement, especially in case of any adverse events</li> </ul>	<ul style="list-style-type: none"> <li>Shortage of rare minerals and metals</li> <li>Limited manufacturing capacity</li> <li>Cost volatility</li> <li>Performance deterioration and fire risk in extreme ambient conditions</li> <li>Constant degradation and self-discharge</li> </ul>

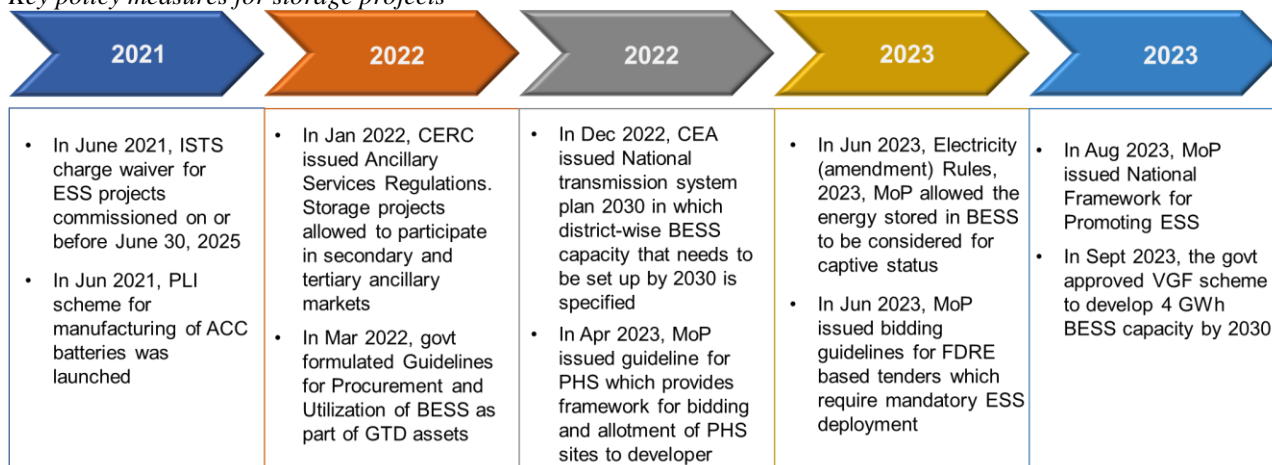
\*Capex may vary based on no. of reservoirs to be built, topography/ region, etc.

Source: Industry, CRISIL MI&A-Consulting

### Policies and key driving factors for storage projects

Over the last 2-3 years, the government has taken several initiatives to promote energy storage through standardisation of the policy and regulatory framework by issuing guidelines, regulations, changes in bidding mechanisms, etc. The summary of key policy measures is listed below.

#### Key policy measures for storage projects



Source: MoP, MNRE, CRISIL MI&A-Consulting

The GoI has taken several measures such as providing legal status to storage, energy storage obligation, waiver in ISTS charges, captive status for energy stored in BESS. These measures are expected to expedite the deployment of storage systems and thereby accelerating the growth of India's RE capacity. MNRE in its RE bidding guidelines provided the option to the RE developer to tie up with energy storage system developers to meet the project parameters to provide firm and dispatchable RE power.

### Pumped hydro projects

Pumped storage is a proven technology and has been in use for decades to support/balance grids. Unlike other storage technologies, performance of PHS is quite reliable on long term basis. PHS offers energy storage of 6 to

12 hours. PHS offers energy storage of 6 to 12 hours which is well suited for energy-shifting applications, wherein excess RE generation can be shifted to peak demand periods of late evenings. The long project life of PHS has the potential to provide a stable and consistent cash inflow for about 40 years. This healthy cash-flow profile enables favourable project financing arrangements for PHS, such as lower loan rates and a higher debt-equity ratio.

For PHS projects, several provisions are proposed to facilitate the allocation and development of PHS under the guidelines such as no upfront premium for project allocation, monetization of ancillary services, and participation in all market segments. Financial institutions are expected to provide long-term loans with competitive rates, and tax and duty incentives are provided to encourage development. States may reimburse State Goods and Services Tax (SGST) on hydropower project components, provide exemptions in stamp duty and registration fees for land, and offer land on an annual lease rent basis. The guidelines also mandated using green finance like sovereign bonds or concessional climate finance for funding such projects.

To speed up the clearance process, CEA has also established a Single Window Clearance Cell for approval of PHSPs. Additionally, MoP has provided budgetary support of Rs. 10 Mn/MW (for projects above 200 MW) and Rs. 15 Mn/MW (for projects below 200 MW and up to 25 MW) for the construction of roads and bridges for hydropower projects (including PHS projects) whose construction started after March 2019.

### ***Battery energy storage projects***

BESS can be used for multiple applications such as voltage and frequency regulation, spinning reserves, peak shaving. With rising R&D and subsequent improvement in technology as well as increasing scale, cost competitiveness of such solutions to improve. For batteries, a special consideration is degradation. Batteries degrade as they age, decreases the amount of capacity they can store. The expected life of the batteries is about 10 to 12 years (depending on the technology and how the batteries are operated). By the end of that time, the batteries' capacity is expected to be reduced to less than 70% of their original capacity.

In September 2023, the government approved the VGF scheme for development of 4000 MWh of BESS capacity by fiscal 2031. An initial outlay of Rs.94 billion including budgetary support of Rs.37.60 billion has been provided under the scheme. The VGF would be provided from fiscal 2024-26 and will be capped at 40% of the capital cost. Prior to VGF scheme, the Ministry of Heavy Industries in June 2021 launched a PLI scheme for Advance Chemistry Cell battery storage of 50 GWh capacity with an outlay of Rs. 181 billion, which includes more than 10 GWh grid-scale battery storage. The Scheme expects direct investment of around Rs. 450 billion in ACC Battery storage manufacturing projects. As of December 2023, out of 50 GWh capacity, 30 GWh capacity has already been allotted through competitive bidding process.

Usage of battery storage is expected to be strong across the generation, transmission, and distribution segments as well as at the consumer end. The National Renewable Energy Laboratory has also forecasted a fall in the price of storage solutions, especially lithium-ion technology. With the greater adoption of lithium-ion battery storage, improvement in battery efficiency, and large-scale manufacturing, CRISIL MI&A Consulting expects the four-hour utility-scale lithium-ion battery costs to decrease to \$90-100 per kWh in 2030 from the costs of \$130-140 per kWh in 2023.

With the announcement of several large-scale PHS projects across the country, the PHS segment is also expected to witness significant adoption. According to the CEA's report on optimum power generation mix study in April 2023, India will require at least 41.7 GW/208 GWh of BESS and 18.9 GW of PHS by fiscal 2030.

### ***Large scale ESS tenders***

As RE penetration scales up, ESS is expected to play a critical role.

SECI issued its first 1200 MW RE+storage tender with guaranteed peak power supply of 6 hours per day which concluded in 2020. The two bidders, Greenko (900 MW at peak tariff of ~ Rs 6.12/kWh) with pumped hydro storage and ReNew Power (300 MW at peak tariff of Rs 6.85/kWh) with BESS were awarded the project. The first FDRE tender of 1500 MW conducted by SJVN in November 2023 witnessed the lowest tariff of Rs 4.38/kWh.

Also, a few large-scale standalone ESS tenders were also issued by SECI, NTPC, GUVNL, MSEDCL in the last two years. In terms of ESS technology, SECI's tender was for BESS. However, NTPC's tender was technology agnostic with the requirement of six hours of energy supply. JSW Energy won 500 MW in SECI's tender and 300 MW in PCKL's tender, whereas Greenko won the NTPC tender and 700 MW in PCKL tender. MSEDCL has also

awarded 2 GW of PHS project each to Torrent Power and JSW in September 2024 which would supply power for 8 hours per day with a maximum of 5 continuous hours.

As of September 2024, ~12 GW of grid-scale ESS capacity has been tendered of which ~8 GW has been awarded.

A confluence of these initiatives indicates the large potential and keen interest from project developers in the ESS segment. Moreover, the results of these tenders also indicate the commercial competitiveness of ESS and RE+ESS as compared to electricity sources.

A list of recently concluded storage tenders are mentioned below:

*Recently concluded storage tenders*

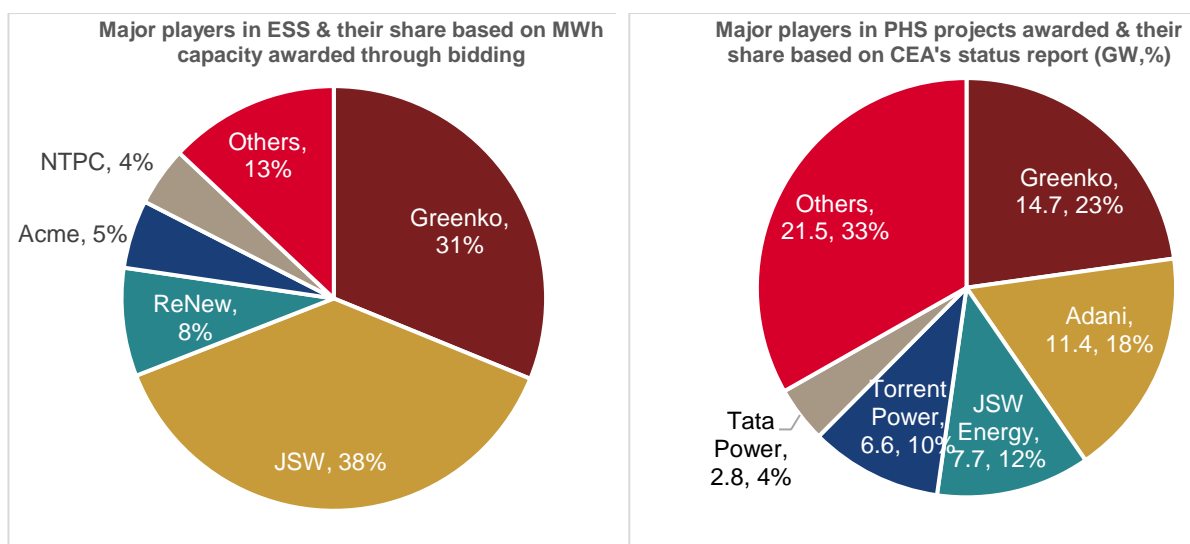
Sr. No.	Tender name	Tender type	Capacity (MW/MWh)	Result date	Lowest bid	Winners
1.	SECI Rajasthan Tranche - II	Standalone BESS	1000 MW / 2000 MWh	Sept 2024	Rs 4.57 Mn/MW/year	JSW, Reliance
2.	SECI	Solar + Storage	600 MW/1200 MWh	Jul 2024	Rs 3.42/kWh	Acme, Hero, JSW
3.	GUVNL	Standalone BESS	250 MW/500 MWh	Mar 2024	Rs 0.448 Mn/MW/month	Gensol, Indigrid
4.	SJVN, Firm Power	FDRE	1500 MW	Nov 2023	Rs 4.38/kWh	Acme, Juniper, Tata, ReNew, Bluepine, Hero, O2 Power
5.	NTPC Storage	Standalone ESS	500MW/ 3000 MWh	Dec 2022	Rs 2.79 Mn/MWh/year	Greenko
6.	SECI Rajasthan	Standalone ESS	500MW/ 1000 MWh	Aug 2022	Rs 1.08 Mn/MWh/month	JSW

Source: SECI, Bidding agencies, CRISIL MI&A-Consulting

**Major players in pumped storage and BESS technology**

Major RE developers such as ReNew, Greenko, Tata Power, JSW are aggressively adopting ESS. ReNew won two ESS tenders (Peak Power Supply, RTC-1). Greenko is developing ESS through PHS. It is developing Integrated Renewable Energy Storage Projects (IRESP) in Andhra Pradesh combining GW scale wind, solar and PHS power.

*Major players and their share in ESS/PHS based projects as of September 2024*



Source: CEA, SECI, Bidding agencies, CRISIL MI&A-Consulting

Greenko has the highest share in terms of capacity awarded under energy storage projects. It has won 2.1 GW under tariff based competitive bidding conducted by SECI, PCKL and NTPC. According to CEA's status report on PHS development as of September 2024, a cumulative capacity of ~14.7 GW has been allotted to Greenko in the states of Karnataka, Madhya Pradesh, Rajasthan, and Uttar Pradesh. Other players such as Adani Green Energy, JSW, Tata Power, Torrent Power are cumulatively developing ~28.5 GW of PHSPs.

Further, the developers who won RTC, peak power, FDRE tenders under competitive bidding route such as ReNew, Acme, Tata Power, Bluepine, O2 Power, NTPC are deploying BESS to meet the power requirements of their respective offtakers as indicated in the RFPs.

#### List of key players in ESS segment

Key players	Achievements in ESS segment
<b>Greenko</b>	<ul style="list-style-type: none"> <li>900 MW project won under SECI tender for peak power supply</li> <li>500 MW/3,000 MWh ESS capacity under NTPC tender</li> <li>Developing IRESP at Andhra Pradesh with 3 GW solar, 0.5 GW wind and 1.2 GW/10.8 GWh PHS</li> </ul>
<b>ReNew</b>	<ul style="list-style-type: none"> <li>300 MW peak power supply project with a storage capacity of 75 MW/150 MWh</li> <li>400 MW RTC project with storage capacity of 25 MW/100 MWh</li> </ul>
<b>JSW Energy</b>	<ul style="list-style-type: none"> <li>Won 500 MW/1,000 MWh BESS under SECI tender</li> <li>Plan to install 5 GW/40 GWh energy storage capacity by 2030</li> </ul>
<b>NHPC</b>	<ul style="list-style-type: none"> <li>Scouting for over 20 GW of PHSPs in the States of Andhra Pradesh, Maharashtra and Odisha and have also signed MoU with the respective State departments</li> <li>Signed MoU with Gujarat Power Corporation for investment in Kuppa PHSP of 750 MW</li> </ul>
<b>Tata Power</b>	<ul style="list-style-type: none"> <li>10MW/10MWh BESS commissioned in Delhi</li> <li>20MW/50MWh BESS project in Leh, Ladakh</li> <li>100 MW Solar with 40MW/120 MWh BESS at Chhattisgarh</li> </ul>
<b>L&amp;T</b>	<ul style="list-style-type: none"> <li>20 MW solar with 8 MWh BESS at Andaman &amp; Nicobar</li> </ul>
<b>Mahindra Susten</b>	<ul style="list-style-type: none"> <li>6MW Solar with 6MW/19MWh BESS at Gujarat</li> </ul>
<b>Prozeal Green Energy</b>	<ul style="list-style-type: none"> <li>25 MW<sub>AC</sub> solar plant with 20 MW/50 MWh BESS at Taru, Leh</li> </ul>

Source: Company websites, press releases, CRISIL MI&A-Consulting

## Green Hydrogen

### Different types of hydrogen

Hydrogen, the universe's most abundant element, is making waves as a clean energy source for a sustainable future. Hydrogen can be classified into different types based on its colour, which is often an indication of its production method, purity, or intended use and also use of fuel for production of hydrogen.

Green hydrogen is produced from renewable energy sources, such as solar, wind, or hydro power, through electrolysis of water. This process splits water molecules into hydrogen and oxygen, without generating any

greenhouse gas emissions. Green hydrogen is considered a clean and sustainable energy carrier.

### ***National Green Hydrogen Mission***

#### *Green hydrogen mission and policy*

The National Green Hydrogen Mission was approved by the government on January 4, 2022. The mission aims to make India a leading producer and supplier of green hydrogen in the world. The mission would result in development of green hydrogen production capacity of at least 5 million metric tonne per annum with an associated renewable energy capacity addition of about 125 GW in the country. As per Central Government, the targets by 2030 are likely to bring in over Rs. 8 trillion investments.

The initial outlay for the Mission is Rs.197.44 billion, including an outlay of Rs.174.9 billion for the Strategic Interventions for Green Hydrogen Transition Programme (SIGHT) programme, Rs.14.66 billion for pilot projects, Rs.4 billion for R&D, and Rs. 3.88 billion towards other Mission components. Under the SIGHT, two distinct financial incentive mechanisms have been proposed, one is targeting domestic manufacturing of electrolyzers and the other for production of Green Hydrogen. The Mission will also support pilot projects in emerging end-use sectors and production pathways.

#### *Key highlights of green hydrogen policy*

Some of the key highlights of Green Hydrogen Policy are as follows:

- The waiver of inter-state transmission charges shall be granted for a period of 25 years for Green Hydrogen and Green Ammonia projects commissioned before 31<sup>st</sup> December 2030.
- Developers can manufacture Green Hydrogen/Green Ammonia using Renewable Energy from co-located or remotely located plants, or from the Power Exchange. They will be granted Open Access within 15 days of a complete application. Open Access charges will be in accordance with the Rules.
- Banking permitted for a period of 30 days for renewable energy used for making Green Hydrogen /Green Ammonia.
- Under the Electricity (Transmission system planning, development, and recovery of Inter State Transmission charges) Rules 2021, renewable energy projects set up to manufacture green hydrogen/green ammonia will be granted priority for ISTS connectivity.
- Land in Renewable Energy Parks can be allotted for the manufacture of Green Hydrogen / Green Ammonia.
- Manufacturers of green hydrogen/ammonia can set up bunkers near ports to store green ammonia for export or use by shipping. Port authorities will provide land for storage at applicable charges.
- Renewable energy used to produce green hydrogen /ammonia counts towards RPO compliance for consumer and the discom in whose area the project is located.
- Distribution licensees may also procure and supply Renewable Energy to the manufacturers of Green Hydrogen / Green Ammonia in their States. In such cases, the Distribution licensee shall only charge the cost of procurement as well as the wheeling charges and a small margin as determined by the State Commission.
- MNRE to create a single portal for all Green Hydrogen/Ammonia clearances. All clearances will be provided within a period of 30 days from date of application.

### ***Storage and transportation of hydrogen***

#### *Challenges in storage and transportation of hydrogen*

Hydrogen is a promising energy carrier that has the potential to decarbonize various sectors. However, the storage and transportation of hydrogen pose significant challenges due to its unique properties. The challenges include low energy density, material compatibility issues, compression and liquefaction energy losses, temperature sensitivity, high storage costs, safety requirements, and purity requirements. To store hydrogen, it must be compressed or liquefied, which requires high-pressure tanks or low-temperature storage.

Globally, hydrogen is stored and transported through pipelines, trucks, ships, and storage tanks. Gaseous hydrogen can be transported through pipelines the way natural gas is transported worldwide. Hydrogen can be transported either via the existing natural gas infrastructure or by building new pipelines exclusively for hydrogen transport. Hydrogen transport via existing pipelines is a low-cost option since setting up new pipeline for hydrogen transport

is capital intensive. For shorter distances, Hydrogen is transported over the road - in liquid tanker trucks or gaseous tube trailers.

Pipelines or truck transport are normally used for shorter distances. However, where pipeline transport is not possible, hydrogen transport by ship is technically possible for longer distances, especially inter country transport. Gaseous hydrogen converted into liquid can be transported via sea. However, due to the costs of liquefaction, refrigeration, and regasification, it is a high-cost operation.

Liquified or compressed hydrogen can be stored in storage tanks specially designed for hydrogen storage. Some of the popular hydrogen storage options include compression or cryogenic systems (or their combination), chemical production systems (such as ammonia), nanomaterial-based storage, and geologic storage. The tanks are typically found at production facilities, transport terminals and end use locations.

#### *Infrastructure requirements for hydrogen storage and transport*

The hydrogen infrastructure can be referred to hydrogen storage, transportation, storage terminals and infrastructure available for export. Hydrogen storage systems are critical components in the use of hydrogen as energy carrier. Compressed gas storage and liquid hydrogen storage are commonly used storage systems. Development of effective hydrogen storage systems is essential for various applications. Choice of storage of hydrogen largely depends on quantity, economy and end use. Different types of tanks such as gaseous hydrogen storage tanks, liquid hydrogen storage tanks (cryogenic tanks), horizontal cylindrical with hemispherical ends, vertical cylindrical with hemispherical ends and spherical storage tanks etc. are available in market. In India, several initiatives are under process for integration of hydrogen with natural gas through existing natural gas pipelines. Even though this is a low-cost option, it requires careful monitoring to ensure the correct percentage of blending. Additionally, on arrival at destination, additional technology is required to separate hydrogen from natural gas leading to more cost. NTPC Green Energy Ltd. has commissioned India's first green hydrogen blending project. The green hydrogen blending has been started in the piped natural gas (PNG) network of NTPC Kawas township, Surat. The project is a joint effort of NTPC and Gujarat Gas Limited (GGL). Adani Total Gas Ltd. (ATGL) has also announced the initiation of a 'Green Hydrogen Blending Pilot Project' for Ahmedabad in Gujarat. Previously, GAIL (India) Ltd. had commenced its project of blending hydrogen with natural gas in Indore, MP. A key component of the National Green Hydrogen Mission is the identification and development of regions capable of supporting large scale production and/or utilization of Hydrogen as Green Hydrogen Hubs. The Mission provides for setting up of two Green Hydrogen hubs in the initial phase. The Ministry of Ports, Shipping and Waterways has identified three major ports viz. Deendayal Port (Kandla), Paradip and V.O. Chidambaranar (Tuticorin) Ports to be developed as hydrogen hubs. Alternatively, hydrogen can be transported in the form of ammonia, methanol and liquid organic hydrogen. At present, around 13 port in India handle ammonia imports in bulk volumes.

#### ***PLI Scheme for green hydrogen production and electrolyzers manufacturing***

##### ***PLI Scheme under SIGHT Scheme***

In July 2023, SECI has issued a Tender for selection of green hydrogen producers for setting up 450,000 MT per annum production facilities for green hydrogen in India under the SIGHT Scheme (Mode-1-Tranche-I). The green hydrogen auction, which offered a per-kilogram maximum of 50 rupees in the first year, 40 rupees in the second, and 30 rupees in the third, awarded subsidies to eight companies out of thirteen bidders. Total Capacity available for bidding under Technology Agnostic Pathways (Bucket I) was 410,000 MT/annum and Biomass Based Pathways (Bucket II) 40,000 MT/annum.

Under its first green hydrogen tender, India has awarded incentives to various bidders for a total production of more than 400kt per annum.

The scheme guidelines for SIGHT Mode 2A (aggregation model for Green Ammonia) and Mode 2B (aggregation model for Green Hydrogen) have been notified on 16<sup>th</sup> January 2024. Further, in July 2024, MNRE has notified guidelines under SIGHT for green hydrogen production (under Mode-1) Tranche-II for setting up 450,000 TPA green hydrogen. The total government outlay for both the Tranches is Rs. 131 billion.

#### ***Pilot Schemes for use of green hydrogen***

*Shipping Sector:* The Central Government has issued guidelines for undertaking pilot projects for using green hydrogen in the shipping sector. Two areas have been identified as thrust areas under the pilot projects. These are

retrofitting of existing ships to enable them to run on Green Hydrogen or its derivatives; and development of bunkering and refueling facilities in ports on international shipping lanes for fuels based on Green Hydrogen. The Scheme will be implemented with a total budgetary outlay of Rs. 1.15 billion till the fiscal 2026.

**Steel Sector:** The Central Government has come up with guidelines for undertaking pilot projects for using green hydrogen in the steel sector. Three areas have been identified as thrust areas for the pilot projects in the steel sector. These are use of Hydrogen in Direct Reduced Ironmaking process; use of Hydrogen in Blast Furnace; and substitution of fossil fuels with Green Hydrogen in a gradual manner. The scheme will also support pilot projects involving any other innovative use of hydrogen for reducing carbon emissions in iron and steel production. The Scheme will be implemented with a total budgetary outlay of Rs. 4.55 billion till fiscal 2030.

**Transport sector:** The Central Government has issued guidelines for undertaking pilot projects for using green hydrogen in the transport sector. The scheme will support development of technologies for use of Green Hydrogen as a fuel in Buses, Trucks, and 4-wheelers, based on fuel cell-based propulsion technology / internal combustion engine-based propulsion technology. The other thrust area for the scheme is to support development of infrastructure such as hydrogen refueling stations. The Scheme will be implemented with a total budgetary outlay of Rs. 4.96 billion till the fiscal 2026.

### **Electrolysers**

Electrolyser technologies vary with respect to cell design, variation within components, and degree of technology maturity. Alkaline and PEM electrolysers are the most advanced technologies with higher adoption rates compared to other technologies. On the other hand, Solid oxide and AEM (anion exchange membrane) electrolysers have high potential but are much less mature technologies.

As per NITI Aayog, India may witness a 20 GW electrolyser demand by 2030. There have been a number of announcements by key industry players towards boosting the electrolyser production capacity in India. Adani New Industries Limited (ANIL) is currently setting up a 5 GW integrated electrolyser plant and has signed an agreement with Cavendish Renewable Technology (CRT) to manufacture electrolysers based on AE, PEM and SOEC technologies. Ohmium, which has a PEM electrolyser capacity of 500 MW/year set up in Karnataka has plans to take its capacity to 2 GW in the near future. Greenko and John Cockerill partnered in March 2022 to set up a 2 GW electrolyser manufacturing plant in Andhra Pradesh. H2E Power Systems is building a 1 GW electrolyser plant in a phased manner while exploring all four electrolyser technologies. Lastly, Reliance has partnered with Stiesdal and L&T with HydrogenPro to set up AE-based electrolyser plants in Gujarat and Maharashtra, respectively.

In the global scenario, China presently dominates electrolyser manufacture with players like LONGi, PERIC and Sungrow Power. However, American and European players have announced significant capacity plans that will make them competitive over the next few years.

#### *Existing major electrolyser manufacturers globally*

<b>Manufacturer</b>	<b>Country</b>	<b>Technology</b>	<b>Existing Capacity</b>	<b>Expansion Plans</b>
<b>LONGi</b>	China	Alkaline	1.5 GW	5 GW by 2025
<b>PERIC</b>	China	Alkaline/PEM	1.5 GW	-
<b>Sungrow</b>	China	Alkaline/PEM	1.1 GW	1.1 GW by 2024
<b>John Cockerill</b>	Belgium	Alkaline	1.0 GW	8 GW by 2025
<b>Thyssenkrupp</b>	Germany	Alkaline	1.0 GW	5 GW by 2025
<b>Plug Power</b>	US	PEM	1.0 GW	10-12 GW by 2025
<b>ITM Power</b>	UK	PEM	1.0 GW	5 GW by 2024
<b>Nel</b>	US	Alkaline/PEM	0.5 GW	4 GW by 2025
<b>Bloom Energy</b>	US	SOEC	2.0 GW	-

Source: Company websites, CRISIL MI&A Consulting



### ***Incentive scheme for Electrolyser manufacturing under SIGHT program***

The MNRE has issued guidelines for the implementation of the SIGHT programme in June 2023. This programme consists of two components: the incentive scheme for electrolyser manufacturing (component-I) and the incentive scheme for hydrogen production (component-II). The national green hydrogen mission has allocated a total of Rs. 174.90 billion for the SIGHT programme, with Rs 44.40 billion allocated for electrolyser manufacturing and Rs. 130.50 billion for green hydrogen production.

Component-I focuses on the electrolyser scheme with an allocation of Rs. 44.40 billion, aiming to maximize domestic electrolyser manufacturing capacity. The first phase of the SIGHT programme would assist in developing 1500 MW of manufacturing capacity. The incentives for electrolyser manufacturing would be provided based on manufacturing capacity, calculated in rupees per kilowatt, for a period of 5 years from the start of electrolyser manufacturing.

The introduction of these schemes is expected to have a transformative effect on the Green Hydrogen ecosystem in India, propelling it forward and laying the groundwork for a cleaner and more sustainable energy future for the country.

SECI issued its first electrolyser manufacturing tender awarded under SIGHT program for total manufacturing capacity of 1.5 GW.

Subsequently, in August 2024, SECI announced the snapshot of opening of envelope-2 under SIGHT (Tranche II) for a total capacity of 1.5 GW.

### ***Overview of current market size and outlook***

After China and USA as of March 2024, India is the third largest consumer & producer of hydrogen in the world. In 2020, India's hydrogen demand stood at 6 million tonnes (MT) per year. ~48% hydrogen is used in fertilizers to produce ammonia/urea and ~46% in refineries for hydrodesulfurization. India's grey hydrogen market is estimated to be ~ USD 9-10 billion considering production costs of ~USD 1.5-1.8 per kg. Additionally, India's annual Ammonia consumption for fertilizer production is about 15 MTPA, roughly 15% of this demand (over 2 MTPA) is currently met from imports. Driven by captive consumption by refineries, fertilisers and ammonia, the hydrogen demand is expected to reach ~11-12 MTPA by 2030 making it ~USD 22-25 billion market. Out of this ~4-4.5 MTPA is expected from refineries and ~6-6.5 MTPA from Fertilisers. Very small quantum (~0.5 to 0.75 MTPA) will be from Petrochem and other industries. Considering ~8-10% of hydrogen demand from fertilisers and 22-24% of hydrogen demand from refineries can be met through green hydrogen in 2030, ~1.4-1.8 MTPA will be from green hydrogen. Considering a production cost of ~USD 2 to 2.5 per kg, the green hydrogen market is expected to be ~USD 3-4 billion in 2030.

## Landscape of leading project developers

Competitive mapping covers the details of companies, their products and services within a given market to understand competitive intensity. Some of the key players in the renewable energy sector include NTPC Green Energy (~3.5 GW operational solar and wind), Adani Green Energy (~11.2 GW operational wind, solar and hybrid), Renew Power (~8.3 GW operational wind & solar), ACME Solar (1.34 GW operational solar), TATA Power RE (~4.7 GW operational solar and wind), Greenko (5.4 GW operational wind and solar) and JSW Neo (operational ~0.7 GW Solar and 2 GW wind) as of 30<sup>th</sup> September 2024. These players also have sizeable quantum of capacity under consideration/development.

### Key leading project developers

Parameter	NTPC GEL	Adani Green Energy	Renew	Greenko	ACME Holding	Solar	JSW Neo	TATA Power REL
<b>Promoter/Group</b>	NTPC	Adani Group	Renew Group	Greenko group	ACME Group		JSW	TATA Power
<b>Years in Business (As on 30/09/2024)</b>	~3 Yrs	~10 Yrs	~14 Yrs	~22 yrs	~16 Yrs		~3 Yrs	~17 Yrs
<b>Operational capacity (GW) as on 30/09/2024</b>	Solar:3.34 Wind:0.21 (Incl. NTPC and NTPC REL)	Solar:7.4 Wind:1.7 WSH:2.1	Solar:4.0 Wind:4.3	Solar: 2.175 Wind: 3.192	Solar: 1.34		Solar:0.7 Wind:2.0	Solar:3.7 Wind:1.0
<b>Under construction/ Development capacity (GW) as on 30/09/2024</b>	under-construction :8.13 Pipeline: 10.57	Solar:16.8 Wind:2.4 WSH:2.7	Solar:3.3 Wind:1.8	Solar:1.0 Wind:0.4	Solar 1.8 Wind 0.15 Hybrid 0.83 FDRE 1.25		Wind:1.7 Wind: 1.0 (pipeline) Solar: 3.2 (pipeline) Hybrid/FDRE:2.3 (pipeline)	Solar:1.0 Hybrid: 4.5
<b>Solutions offered</b>	IPP Hybrid Corporates RTC/ Storage	IPP Corporates RTC/ Storage Solar Park development	IPP Corporates Green credits Energy management RTC/Storage Solar PV manufacturing	IPP RTC/ Storage	Renewable IPP, RTC Storage Hybrid, FDRE		IPP Corporates RTC/ Storage	IPP Corporates RTC/Storage Rooftop solar Solar PV manufacturing
<b>Key Offtakers for operational capacity</b>	SECI, GUVNL, RUMSL, IREDA, NVVNL, REC/NTPC, MPPMCL, Raj. Discoms, AP Discoms, UPPCL, Telangana Discoms etc.	SECI, NTPC, PTC, TANGEDCO, Karnataka ESCOMS, UPPCL, PSPCL, MSEDCL, GUVNL, TSSPDCL, MPPMCL, Merchant etc.	SECI, MSEDCL, APSPDCL, GUVNL, MPPMCL, TSNPDCL, NTPC, PTC, Corporates etc.	SECI, Delhi Discoms, AP Discoms, Karnataka Discoms, Telangana Discoms, Tangedco etc.	SECI, NTPC, GUVNL, CSPDCL, MSEDCL, UPPCL, MPPMCL, PSPCL, GRIDCO, TSNPDCL, TSSPDCL, APSPDCL, NBPDC & SBPDCL etc.		SECI, AP, HP, Maharashtra, Rajasthan, Telangana, PTC, Open Capacity, Others etc.	SECI, SJVN, TANGEDCO, APDISCOMS, GUVNL, BESCOM, UPPCL, NPCL, MSEDCL, TPCD, KSEB, MPPCL, JVVNL, JdVVNL, Others etc.

Parameter	NTPC GEL	Adani Green Energy	Renew	Greenko	ACME Holding	Solar	JSW Neo	TATA Power REL
<b>Green Hydrogen ambitions</b>	Planning for the development of an Integrated Green Hydrogen Hub in Andhra Pradesh; Hydrogen-PNG Blending at Kawas, Gujarat; Mobility at Leh and Delhi (Hydrogen Fuel Cell (FC) based electric vehicles)	Adani New Industries Ltd has planned a Green Hydrogen Project in Mundra, Gujarat.	Proposed to set up green hydrogen project in Kerala as well as plans to set up a Green Hydrogen Project in Egypt	Planned a Green Ammonia plant in Himachal Pradesh.	ACME Group has set up pilot project for green hydrogen and ammonia, in Rajasthan. Planned green hydrogen capacities in Tamil Nadu, Odisha and Duqm, Oman.		Received LOA for setting up of 6.5 KTPA green hydrogen production facility from SECI	NA

NA: Not available; Source: Company websites, Annual Reports, Press Releases, CRISIL MI&A-Consulting

The following table summarises the competitive analysis of NTPC GEL with some of the leading players.

Competitive analysis with some of the leading players

Parameters	NTPC GEL				NTPC RE Group*		RENEW					Adani Green				
	H1FY25 (A)	H1FY24 (A)	FY24(A)	FY23(A)	FY23(A)	FY22(A)	H1FY25 (UA)	H1FY24 (UA)	FY24(A)	FY23(A)	FY22(A)	H1FY25 (UA)	H1FY24 (UA)	FY24(A)	FY23(A)	FY22(A)
<b>Installed Capacity (MW)</b>	<b>3,320</b>	<b>2,711</b>	<b>2,925</b>	<b>2,611</b>	<b>2,611</b>	<b>1,445</b>	<b>NA</b>	<b>8,200</b>	<b>9,100</b>	<b>7,880</b>	<b>7,470</b>	<b>11,184</b>	<b>8,316</b>	<b>10,934</b>	<b>8,086</b>	<b>5,410</b>
Solar	3,220	2,661	2,825	2,561	2,561	1,395	NA	4,000	4,500	3,970	3,690	7,393	4,975	7,393	4,975	NA
Wind	100	50	100	50	50	50	NA	4,200	4,600	3,910	3,780	1,651	1,201	1,401	971	NA
Hybrid	-	-	-	-	-	-	NA	NA	NA	NA	NA	2,140	2,140	2,140	2,140	NA
<b>Megawatts Contracted &amp; Awarded as on September</b>																
<b>Total Contracted &amp; Awarded Capacity (MW)</b>	<b>13,576</b>	<b>8,600</b>	<b>11,571</b>	<b>6,250</b>	<b>6,250</b>	<b>4,766</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Solar	10,576	7,050	9,571	5,750	5,750	4,616	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Wind	3,000	1,550	2,000	500	500	150	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Generation (MUs)</b>																
Solar	3,118	2,907	5,591	467	3,759	1,864	NA	4,449	8,794	8,112	8,469	7,751	5,501	11,046	10,457	8,097
Wind	124	66	122	6	103	104	NA	6,565	10,243	9,002	5,677	2,348	1,996	3,117	1,820	1,329
Hybrid	-	-	-	-	-	-	NA	NA	NA	NA	NA	4,029	4,263	7,643	2,603	-
<b>Average CUF for the assets held as on last date of the financial year/period (%)</b>																
Solar	24.61%	25.04%	23.97%	27.17%	22.74%	19.21%	NA	23.1%	24.4%	24.8%	23.1%	23.9%	25.2%	24.5%	24.7%	23.8%

INR Mn	NTPC GEL				NTPC RE Group*		RENEW					Adani Green				
Parameters	H1FY25 (A)	H1FY24 (A)	FY24(A)	FY23(A)	FY23(A)	FY22(A)	H1FY25 (UA)	H1FY24 (UA)	FY24(A)	FY23(A)	FY22(A)	H1FY25 (UA)	H1FY24 (UA)	FY24(A)	FY23(A)	FY22(A)
Wind	28.27%	30.14%	19.78%	16.48%	23.58%	23.66%	NA	41.3%	26.4%	25.5%	25.4%	35.7%	40.2%	29.4%	25.2%	30.8%
Hybrid	-	-	-	-	-	-	NA	NA	NA	NA	NA	42.9%	45.4%	40.7%	35.5%	NA
<b>Financial parameters</b>																
Revenue from Operations	10,823	10,083	19,626	1,697	14,497	9,104	NA	47,508	81,948	79,328	62,043	58,890	43,820	92,200	77,760	51,330
Total Revenue	11,327	10,211	20,377	1,706	14,575	9,182	NA	53,291	96,531	89,309	69,195	64,760	49,790	104,600	86,170	55,770
Operating EBITDA	9,316	9,146	17,465	1,514	13,096	7,949	NA	36,101	58,648	54,416	36,091	49,260	39,070	75,860	49,900	35,110
Operating EBITDA Margin (% of Revenue from Operations)	86.07%	90.71%	88.99%	89.21%	90.34%	87.31%	NA	75.99%	71.57%	68.60%	58.17%	83.65%	89.16%	82.28%	64.17%	68.40%
Profit/(Loss after Tax (PAT))	1,753	2,082	3,447	1,712	4,565	947	NA	6,754	4,147	(5,029)	(16,128)	11,440	6,940	12,600	9,730	4,890
PAT margins (% of Revenue from Operations)	16.20%	20.64%	17.56%	100.91%	31.49%	10.41%	NA	14.22%	5.06%	(6.34%)	(25.99%)	19.43%	15.84%	13.67%	11.29%	9.53%
Net Debt/Equity (x)	1.91	1.82	1.98	1.09	1.09	4.41	NA	4.69	5.19	4.08	3.07	5.65	6.67	5.52	6.96	19.36
Cash PAT	5,331	5,191	9,875	2,211	9,130	3,775	NA	15,380	21,730	10,872	(2,364)	23,550	16,190	31,630	22,730	13,380
Cash PAT margin (as % of Revenue from operations)	49.26%	51.48%	50.31%	130.32%	62.98%	41.46%	NA	32.37%	26.52%	13.71%	(3.81%)	39.99%	36.95%	34.31%	29.23%	26.07%
Cash RoE (% of Average Equity)	7.39%	10.40%	17.76%	NA	26.70%	23.08%	NA	14.33%	20.49%	9.65%	(2.62%)	23.08%	21.25%	36.91%	45.84%	55.59%
Interest Coverage (x)	2.60	2.76	2.64	3.05	2.80	3.17	NA	1.75	1.54	1.26	1.04	1.86	1.71	1.71	1.98	1.51

*Note: On Consolidated basis; NTPC GEL- Based on restated consolidated financial statements for H1 of fiscal 2025, H1 of fiscal 2024, fiscal 2024 and fiscal 2023; \*NTPC RE Group- Based on special purpose carved out financial statements for fiscal 2023 and fiscal 2022 which includes the carved-out business of RE Assets (part of NTPC Ltd.); NA: Not available; (-): Not applicable*

*Average CUF refers to the weighted average of CUF of Installed Capacity in the portfolio as on given date.*

*Source: Company, Company websites, Annual Reports, Regulatory Filings, CRISIL MI&A Consulting*

*Formulae used:*

*Operating EBITDA: Profit before tax + Finance cost + Depreciation and amortization expense - Other income - Exceptional items*

*Operating EBITDA margin: Operating EBITDA / Revenue from operations*

*PAT margin: PAT / Revenue from operations where PAT: Profit after tax*

*Net Debt/Equity: (Long term borrowing + Short term borrowing – Cash and cash equivalents – Other Bank balances)/ Equity*

*Interest coverage: EBITDA/Finance costs*

*Cash PAT: PAT + Depreciation*

*Cash PAT margin: Cash PAT / Revenue from operations*

- From the above comparison, it can be observed that:
  - NTPC GEL's revenues are primarily driven from the energy sales, which account for ~99% of its total operating revenues.
  - Among its peers, the Company has earned higher EBITDA margins and PAT margins in the last 2 Fiscals.
  - The Company has debt: equity ratio of 1.98 for Fiscal 2024 which indicates a moderate leverage. Further, it is lower than its peers, indicating higher funding through equity.
  - With strong parent support and diversified portfolio with long term PPA, the Company is able to maintain a healthy interest coverage ratio.
- The Company is promoted by its parent company, NTPC Limited, India's largest power company both in terms of installed capacity as of March 31, 2024, and power generation in Fiscal 2024. NTPC Limited is a Central Public Sector Enterprise (CPSE) under the ownership of the Ministry of Power of the Government of India.
- The Company benefits from the support, vision, resources and experience of the NTPC Group which is looking to expand its non-fossil-based capacity to 45-50% of its portfolio that will include 60 GW RE capacity by 2032.
- The NTPC Group is a large-scale integrated energy business with an electric power generating capacity of over 76 GW as of 30 September 2024, across coal, hydro, gas and renewable operations with a pan-India presence.
- As of 30 September 2024, the NTPC Group contributed ~17% in India's total installed capacity and contributed ~24% in total power generated in India during the six months ended 30 September 2024.
- The company enjoys a strong parentage of NTPC which has a legacy of around five decades, is one of India's largest power companies, and has experience in operating and maintaining power stations efficiently and in acquiring land for large power projects throughout India.
- The NTPC Group also brings to the fore financial strength of Rs 4,922,304 million of assets as of 30 September 2024. NTPC limited has highest credit rating from leading Indian rating agencies and ratings equivalent to India's sovereign ratings from foreign rating agencies. NTPC's Green arm NGEL as well as its Subsidiary NREL also enjoy highest credit rating from leading Indian rating agencies.
- NGEL is one of the top 10 leading renewable energy companies in India (in terms of total operational capacity) as of September 2024.
- NGEL is a subsidiary of NTPC Limited (a 'Maharatna' CPSE) and the largest central public sector renewable energy player (excluding hydro) in terms of operating capacity as of September 30, 2024, and power generation in Fiscal 2024.

- In Fiscal 2024, NGEL has emerged as the market leader in the winning capacities under Tariff Based Competitive Bidding in the sector with an aggregate capacity of 3.5 GW which is equivalent to AC capacity of around 5 GW.
- NGEL has been one of the front runners in development of Round the Clock RE Projects in the country. It is presently developing 2.7 GW of RE RTC capacities which also includes one of the world's largest RE RTC Projects of 1.3 GW
- The assets owned by the Company are diversified into solar and wind with presence in multiple locations in more than six states which helps mitigate the risk of location-specific generation variability.
- The Company has superior execution capabilities which is demonstrated almost 50 years of successful operations by its parent company. The Company also benefits from long-term experience in dealing with State DISCOMs by its parent company.

## **Key challenges/threats impacting RE Sector**

### **Key challenges and threats impacting renewable energy sector**

#### **Threats**

Any adverse shift in government policies, including reductions in incentives or changes in energy regulations, can significantly impact NTPC GEL's revenue and profitability. However, considering the COP commitment, climate change ambitions and government push for RE, the chances of drastic changes in regulatory regime are less likely. This can also be ascertained from the fact that as against capacity addition of ~70 GW of RE, only ~20 GW of conventional capacity is added over the last 5 years. There were some delays in signing PSAs having higher tariffs by Discoms due to declining tariffs in subsequent tenders. However, with the government's plan for stricter adherence to RPOs, higher penalty in case of non-compliance, and revision of tariff in manufacturing-linked tenders, PSA signing activity improved during fiscal 2022 onwards. There are only a few states which are complying with the RPO obligations fully and there has been limited enforcement on obligated entities - discoms and open access and captive power users - to meet RPO targets. Proposed amendment to Electricity Act, 2003 has stipulated a penalty on RPO non-compliance and uniform imposition of penalties and strict enforcement would be critical for significant improvement and fair distribution of RPO compliance across states. The RE sector is highly competitive, with numerous players vying for market share. Established competitors along with capable new entrants can pose challenges. Climate change and extreme weather events can affect the performance and reliability of renewable energy systems, potentially leading to disruptions or damage to infrastructure.

#### **Challenges**

There is counterparty credit risk due to the depleted financial position of most Discoms. Due to legacy issues, higher T&D losses, lack of adequate tariff revisions, lack of timely subsidy support, operational challenges, financial position in most of the State Discoms is weak. However, with competitive tariffs, payment security mechanism, diversification in counter parties largely mitigates the counterparty credit risk. Further, execution risk in under construction projects may impact profitability and in turn liquidity. However, experience in execution of large-scale projects should mitigate this risk. Furthermore, availability of contiguous land and acquisition challenges associated with land parcels are some of the key challenges that developers are facing. To acquire large tracts of land in a single resourceful location, many stakeholders have to be involved, which slows down the pace of project execution. The 40 GW solar park scheme, which provides land to successful bidders for setting up of the projects, is facilitative in this aspect. Availability of timely transmission connectivity is another challenge. To optimize costs, utilization levels, and losses associated with the transmission system, it is crucial to have robust transmission planning. Concerns about connectivity for renewable projects have been raised by the various stakeholders at the appropriate levels. Nodal agencies (PGCIL and SECI) have planned various schemes to reduce grid congestion and enhance connectivity, taking this into account. Green Energy Corridor Scheme and Renewable Energy Zones expected to add ~80 GW of transmission grid capacity, taking it to more than 100 GW for RE projects. This will give comfort against the planned capacity additions in renewable energy segment.

## OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward-Looking Statements” on page 20 for a discussion of the risks and uncertainties related to those statements and also the sections entitled “Risk Factors”, “Industry Overview”, “Restated Consolidated Financial Information” “Special Purpose Carved-Out Combined Financial Statements”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 31, 151, 282, 365 and 431, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements.*

*Unless the context otherwise requires, references in this section to “our Company”, “we”, “us”, or “our” are to NTPC Green Energy Limited and subsidiaries and joint venture on a consolidated basis. Unless the context otherwise requires, references to our “Company” refers to NTPC Green Energy Limited on a standalone basis.*

*Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a “Fiscal” or “fiscal year” are to the 12-month period ended March 31 of the relevant year. Restated consolidated financial information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024 and Fiscal 2023 included in this Red Herring Prospectus has been derived from the Restated Consolidated Financial Information on page 282. References to “Fiscal 2023” or the “Fiscal ended March 31, 2023” in relation to our Restated Consolidated Financial Statements in this section shall be deemed to mean the period from April 7, 2022, i.e. the date of incorporation of our Company to March 31, 2023 as disclosed in the “Restated Consolidated Summary Financial Information.*

*Our Company, a wholly owned subsidiary of NTPC Limited, was incorporated on April 7, 2022. Pursuant to the business transfer agreement dated July 8, 2022 (“BTA”) with our Company, NTPC transferred its renewable energy assets comprising of 15 solar/ wind energy units (“RE Assets”) to our Company on February 28, 2023. Further, NTPC Limited also transferred its equity shareholding in NTPC Renewable Energy Limited (“NREL”) to our Company through share purchase agreement on 28th February 2023. For further details, see “History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations, any revaluation of assets, etc.” on page 245. The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer the RE Assets and equity shareholding in NREL from NTPC Limited to our Company.*

*For comparative purposes, we have prepared Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of the RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. The special purpose carved-out combined financial information for Fiscal 2023 and Fiscal 2022 included in this Red Herring Prospectus has been derived from the Special Purpose Carved-Out Combined Financial Statements on page 365. We have also included various operational information and data in this Red Herring Prospectus. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions.*

*Unless otherwise indicated, the industry-related information contained in this section is derived from a report titled “Strategic Assessment of the Indian Power and Renewable Energy Sector, dated November 2024, prepared by CRISIL Research, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company in connection with the Issue (the “CRISIL Report”). The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. copy of the CRISIL Report is available on the website of our Company at <https://ngel.in/page/industry-report>.*



## Overview

We are a wholly owned subsidiary of NTPC Limited, a ‘Maharatna’ central public sector enterprise. We are the largest renewable energy public sector enterprise (excluding hydro) in terms of operating capacity as of September 30, 2024 and power generation in Fiscal 2024. (Source: CRISIL Report, November 2024). Our renewable energy portfolio encompasses both solar and wind power assets with presence across multiple locations in more than six states which helps mitigate the risk of location-specific generation variability. (Source: CRISIL Report, November 2024). Our operational capacity was 3,220 MW of solar projects and 100 MW of wind projects across six (6) states as of September 30, 2024. We are strategically focused on developing a portfolio of utility-scale renewable energy projects, as well as projects for public sector undertakings (“PSUs”) and Indian corporates. Our projects generate renewable power and feed that power into the grid, supplying a utility or offtaker with energy. For our operational projects, we have entered into long-term Power Purchase Agreements (“PPAs”) or Letters of Award (“LoAs”) with an offtaker that is either a Central government agency like the Solar Energy Corporation of India (“SECI”) or a State government agency or public utility.

As of September 30, 2024, our “Portfolio” consisted of 16,896 MWs including 3,320 MWs of operating projects and 13,576 MWs of contracted and awarded projects. As of September 30, 2024, our “Capacity under Pipeline, for which a memorandum of understanding (“MOU”) or term sheet has been entered with joint venture partners or offtakers but where definitive agreements have not yet been entered, consisted of 9,175 MWs. As of September 30, 2024, our Capacity under Pipeline together with our Portfolio consisted of 26,071 MWs.

We measure the rated capacity of our plants in megawatts in alternate current (AC). Rated capacity is the expected maximum output that a power plant can produce without exceeding its design limits. “Megawatts Operating” represents the aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date. “Megawatts Contracted & Awarded” represents the aggregate megawatt rated capacity of renewable power plants as of the reported date which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where LoAs have been received.

The following tables set forth our (i) megawatts operating, (ii) megawatts contracted & awarded and (iii) megawatts operating, contracted and awarded, as of the end of the respective periods presented.

Particulars	Company Operating Data		Carved-out Operating Data <sup>(1)</sup>
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Megawatts Operating</b>			
Solar (MWs)	2,825	2,561	1,395
Wind (MWs)	100	50	50
<b>Total (MWs)</b>	<b>2,925</b>	<b>2,611</b>	<b>1,445</b>
<b>Megawatts Contracted &amp; Awarded</b>			
Solar (MWs)	9,571	5,750	4616
Wind (MWs)	2,000	500	150
<b>Total (MWs)</b>	<b>11,571</b>	<b>6,250</b>	<b>4,766</b>
<b>Megawatts Operating, Contracted &amp; Awarded</b>			
Solar (MWs)	12,396	8,311	6,011
Wind (MWs)	2,100	550	200
<b>Total (MWs)</b>	<b>14,496</b>	<b>8,861</b>	<b>6,211</b>

<sup>(1)</sup> Our Carved-out Operating Data as at March 31, 2022 is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company as at March 31, 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Particulars	Company Operating Data	
	As at September 30, 2024	As at September 30, 2023
<b>Megawatts Operating</b>		
Solar (MWs)	3,220	2,661
Wind (MWs)	100	50
<b>Total (MWs)</b>	<b>3,320</b>	<b>2,711</b>
<b>Megawatts Contracted &amp; Awarded</b>		
Solar (MWs)	10,576	7,050
Wind (MWs)	3,000	1,550
<b>Total (MWs)</b>	<b>13,576</b>	<b>8,600</b>
<b>Megawatts Operating, Contracted &amp; Awarded</b>		
Solar (MWs)	13,796	9,711
Wind (MWs)	3,100	1,600
<b>Total (MWs)</b>	<b>16,896</b>	<b>11,311</b>

We are promoted by our parent company, NTPC Limited, India's largest power company both in terms of installed capacity as of March 31, 2024 and power generation in Fiscal 2024. (Source: CRISIL Report, November 2024). NTPC Limited is a public sector enterprise under the ownership and administrative control of the Ministry of Power ("MOP") of the Government of India ("GoI"). We benefit from the support, vision, resources and experience of NTPC Limited and its consolidated subsidiaries, associates and joint ventures (the "NTPC Group"), which is looking to expand its non-fossil based capacity to 45-50% of its portfolio that will include 60 GW renewable energy capacity by 2032. (Source: CRISIL Report, November 2024). The NTPC Group is committed to our long-term success as its sustainability arm and partner and looks upon us to lead its efforts in proactively supporting India's energy transition to cleaner renewable energy.

In the six months period ended September 30, 2024 and Fiscal 2024, renewable energy sales accounted for 95.43% and 96.17%, respectively, of our revenue from operations as per our Restated Consolidated Financial Information. In Fiscal 2023 and Fiscal 2022, renewable energy sales accounted for 96.94% and 97.19%, respectively, of our revenue from operations as per our Special Purpose Carved-Out Combined Financial Statements.

The tables below set forth the break-up of our revenue from operations for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
<b>Consultancy, project management and supervision fee</b>	100.47	0.51%	0.00	0.00%	0.00	0.00%
<b>Other operating revenues recognized from Government Grants</b>	650.95	3.32%	443.98	3.06%	255.85	2.81%
<b>Interest from</b>	-	0.00%	-	0.00%	-	0.00%

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Customers</b>						
<b>Revenue from operations</b>	<b>19,625.98</b>	<b>100.00%</b>	<b>14,497.09</b>	<b>100.00%</b>	<b>9,104.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>				
Solar	9,825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
<b>Consultancy, project management and supervision fee</b>	140.42	1.30%	0.00	0.00%
<b>Other operating revenues recognized from Government Grants</b>	327.79	3.03%	313.95	3.11%
<b>Interest from Customers</b>	26.48	0.24%	0.00	0.00%
<b>Revenue from operations</b>	<b>10,822.91</b>	<b>100.00%</b>	<b>10,083.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023. See “Restated Consolidated Financial Information” on page 282.

As of September 30, 2024, we had 17 offtakers across 41 solar projects and 11 wind projects. We define offtakers as parties with whom we have megawatts operating, contracted or awarded (signed PPA or from whom we have received an LoA). As of September 30, 2024, all 9 of our offtakers from which we earned revenue in the six months period ended September 30, 2024 were government agencies and public utilities with which we have long-term PPAs with an average term of 25 years.

We along with the NTPC Group have a demonstrated track record of developing, constructing and operating renewable power projects, driven by our experienced in-house management and procurement teams. As of September 30, 2024, we are in the process of constructing 36 renewable energy projects in 6 states consisting of 13,576 MWs Contracted and Awarded. For details of our projects, see “-Our Projects – Contracted & Awarded Projects” on page 217.

We are considered a partner of choice by many PSUs for fulfillment of their renewable energy development goals. We have signed joint venture agreements to produce renewable power with Rajasthan Rajya Vidyut Utpadan Nigam Limited (RRVUNL), Mahatma Phule Renewable Energy & Infrastructure Technology Limited

(MAHAPRET), Damodar Valley Corporation (DVC) and two other PSUs and have signed MOUs or term sheets with other private corporates. For more information, see “-Our Projects – Pipeline and Joint Ventures” on page 219.

The following table sets forth our Megawatts Operating, Contracted & Awarded and Total Megawatts Operating, Contracted & Awarded plus Capacity under Pipeline as of September 30, 2024. Our Capacity under Pipeline represents our future development opportunities.

	As at September 30, 2024
<b>Megawatts Operating, Contracted &amp; Awarded (MWs)</b>	<b>16,896</b>
<b>Capacity under Pipeline<sup>(1)</sup></b>	
Solar (MWs)	6,925
Wind (MWs)	2,250
<b>Total (MWs)</b>	<b>9,175</b>
<b>Total Megawatts Operating, Contracted &amp; Awarded plus Capacity under Pipeline (MWs)</b>	<b>26,071</b>

(1) Capacity under Pipeline Data as at September 30, 2024 is based on signed term sheets, Memorandum of Understanding, and executed JV agreement with various agencies for the development of multiple projects including the Renewable Energy (RE) Round-the-Clock (RTC) Power Projects. In these agreements, the committed power supply is on an RTC basis and actual installed power capacity have to be more than the agreed power mentioned in the respective agreements to meet the required capacity.

As of September 30, 2024, we had 3,320 MWs operating across 17 solar projects and 2 wind projects. For more information, see “-Our Projects - Operational Projects” on page 216. We regularly measure the performance of our plants by using the industry measure, generation/capacity utilization factor (“CUF”). The CUF is lower in solar power plants as compared to thermal power plants given the nature of operations (availability when the sun is shining, or wind is turning turbines). The following table sets forth our electricity generation in kWh and our CUF for our operating renewable energy plants for the periods indicated.

Particulars	Company Operating Data			Carved-out Operating Data <sup>(1)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Electricity generation (kWh millions)					
Solar	3,117.95	2,907.21	5,590.70	3,759.49	1,863.88
Wind	124.15	66.19	121.78	103.28	103.64
<b>Total</b>	<b>3,242.10</b>	<b>2,973.41</b>	<b>5,712.48</b>	<b>3,862.77</b>	<b>1,967.53</b>
Capacity utilization factor <sup>(2)</sup> (%)					
Solar	24.61%	25.04%	23.97%	22.74%	19.21%
Wind <sup>(3)</sup>	28.27%	30.14%	19.78%	23.58%	23.66%
<b>Total</b>	<b>24.73%</b>	<b>25.13%</b>	<b>23.86%</b>	<b>22.76%</b>	<b>19.40%</b>

(1) Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(2) Capacity utilization refers to the weighted average of CUF of installed capacity in the portfolio as on given date.

(3) Wind CUF is lower in Fiscal 2024 mainly due to the commissioning of the new Dayapar wind project during the low wind season.

We believe that we, along with the NTPC Group, have strong inhouse experience in renewable energy project execution and procurement. In solar projects, we usually take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We also use the turnkey EPC contract model based on specific project conditions. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the

balance of plant.

Operation and maintenance (“O&M”) services for our renewable energy projects are provided through third-party service providers. We have a strong focus on improving the operational efficiency of our plants. Towards that end, we are employing technologies including

- Robotic dry cleaning of photovoltaic (“PV”) arrays;
- Drone photovoltaic thermography;
- String Combiner Box (“SCB”) thermography;
- Live dashboards for generation performance monitoring on our plant information server;
- Mechanized module washing, vegetation removal;
- CCTV Surveillance for plant security; and
- Module and string level I-V tracing.

We believe that by the use of these O&M technologies and by adopting industry-leading O&M practices, we will be able to maximize and maintain the efficiency and life cycles of our equipment. For more information, see “- Operations and Maintenance” on page 226.

We have a strong management team with extensive experience in the renewable energy sector, in-depth understanding of managing solar and wind power projects and proven track record of performance. Our senior management team, led by the Board of Directors, have decades of experience in the Indian power industry. We believe that we will continue to benefit from the experience, leadership and vision of our management team and Board. For additional details, see “Our Management” on page 252.

### Key financial information

Set forth below is certain key consolidated financial information for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations <sup>(3)</sup> (₹ in million)	10,822.91	10,083.21	19,625.98	14,497.09	9,104.21
Revenue Growth <sup>(4)</sup> (%)	7.34%	N/A	35.38%	59.24%	N/A
Operating EBITDA <sup>(5)</sup> (₹ in million)	9,315.65	9,146.10	17,464.70	13,096.16	7,948.88
Operating EBITDA Margin <sup>(6)</sup> (%)	86.07%	90.71%	88.99%	90.34%	87.31%
Profit before Tax (PBT) (₹ in million) <sup>(7)</sup>	2,463.70	2,808.00	4,881.98	3,908.87	2,668.99
PBT Margin <sup>(8)</sup> (%)	22.76%	27.85%	24.88%	26.96%	29.32%
Profit after tax <sup>(9)</sup> (PAT) (₹ in million)	1,753.00	2,081.62	3,447.21	4,564.88	947.42
PAT Margin <sup>(10)</sup> (%)	16.20%	20.64%	17.56%	31.49%	10.41%
Capital Work-in-progress (₹ in million)	90,305.09	19,140.20	71,380.71	17,493.45	64,256.89
Return on Average Equity (RoAE) <sup>(11)</sup> (%)	2.43% (Not Annualized)	4.17% (Not Annualized)	6.20%	13.35%	5.79%
Operating Cash Flows <sup>(12)</sup> (₹ in million)	11,095.51	9,226.18	15,791.22	7,407.44	6,743.20
Net debt <sup>(13)</sup> <sup>(15)</sup> (₹ in	156,020.55	92,913.65	123,245.97	53,450.95	86,148.76

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
(million)					
Net Debt/Equity <sup>(14)</sup> <sup>(15)</sup>	1.91	1.82	1.98	1.09	4.41
Net Worth <sup>(16)</sup> (₹ in million)	81,891.82	50,955.83	62,321.42	48,874.32	19,515.29

Notes:

1. Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.
2. Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.
3. Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information or Special Purpose Carved-Out Combined Financial Statements.
4. Revenue Growth (%) is calculated as Revenue from operations for the current year/period minus revenue from operations for the previous year/period as a % of Revenue from operations for the previous year/period.
5. Operating EBITDA is calculated as Profit before tax for the year/period, plus finance costs and depreciation and amortisation expenses, less other income.
6. Operating EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
7. Profit before tax (PBT) refers to the profit before tax as appearing in the Restated Consolidated Financial Information or Special Purpose Carved-Out Combined Financial Statements.
8. PBT Margin (%) is calculated as profit before tax for the year/period as a percentage of Revenue from Operations.
9. Profit after tax (PAT) refers to the Profit/(Loss) for the year/period as appearing in the Restated Consolidated Financial Information or Special Purpose Carved-Out Combined Financial Statements.
10. PAT Margin (%) is calculated as profit for the year/period as a percentage of Revenue from Operations.
11. RoAE is calculated as Profit attributable to owners of the Company divided by Average Equity for the year/period.
12. Average Equity is calculated as average of the total equity at the beginning of the year/period and at the end of the year/period.
13. Operating Cash flows means Net cash generated from Operations as mentioned in the Restated Consolidated Financial Information or Special Purpose Carved-Out Combined Financial Statements.
14. Net Debt is calculated by subtracting a company's total cash and cash equivalents, bank balances from its total borrowing as at the end of the financial year/period.
15. Net Debt/Equity is calculated by subtracting a company's total cash and cash equivalents, bank balances from its total borrowing divided by total equity attributable to owners of the Company as at the end of the financial year/period. It is a measure of the extent to which our Company can cover net debt and represents net debt position in comparison to our equity position. It is a measure of a company's financial leverage.
16. Net Debt does not include the amount of ₹34,105.50 million, which was payable to the holding company under other financial liabilities on account of balance consideration payable on March 31, 2023 and essentially represents debt from the holding company.
17. Net worth means sum of equity share capital and other equity excluding non-controlling interest.

## Our Market Opportunity

Renewable energy represents a significant and growing industry in India. At the twenty-sixth meeting of Conference of the Parties climate summit in Glasgow, Scotland, the Prime Minister of India updated its nationally determined contributions (NDCs) as follows:

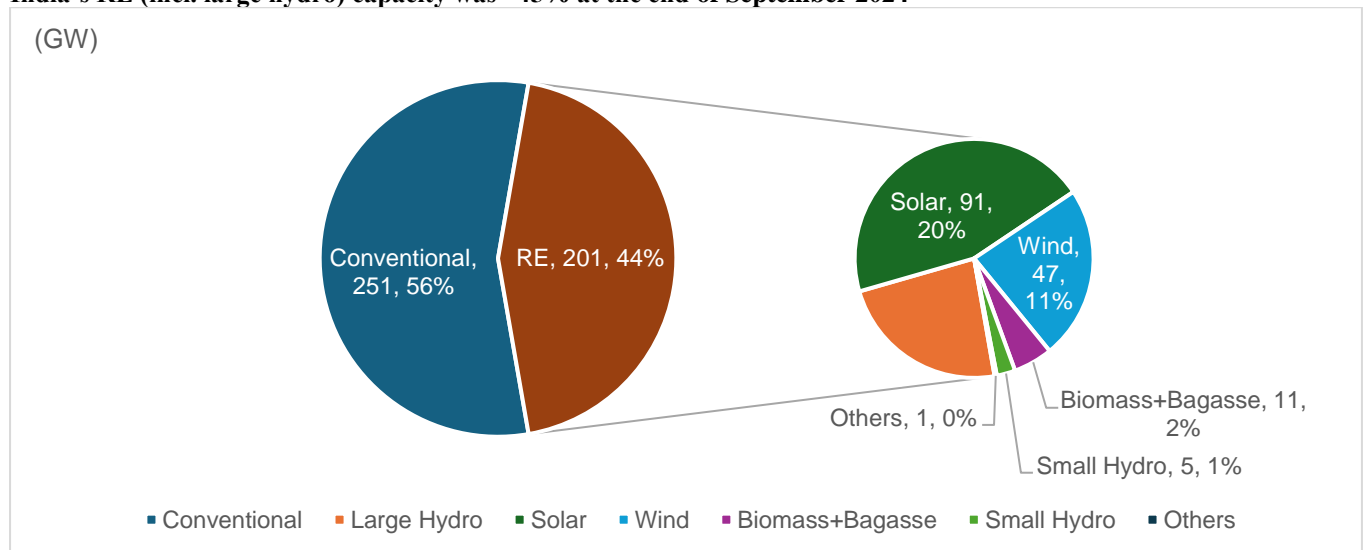
- To reduce Emissions Intensity of its GDP by 45% by 2030, from 2005 level,
- To achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030,
- By the year 2070, India will achieve the target of Net Zero. (Source: CRISIL Report, November 2024).

Globally, India ranks fourth in total renewable energy, wind as well as solar installations. (Source: CRISIL Report, November 2024). India has become the second largest renewable energy market in the Asia Pacific region after China. (Source: CRISIL Report, November 2024). Installed capacity of renewable energy sources have increased

from 63 GW in Fiscal 2012 to approximately 201 GW (including large hydro) as of September 2024. (Source: CRISIL Report, November 2024). As of September 2024, installed grid connected renewable energy generation capacity (including large hydro) in India constituted approximately 45% of the total installed generation base in India. This growth has been led by solar power, which has grown to approximately 91 GW as of September 2024 from approximately 0.09 GW from March 2012. (Source: CRISIL Report, November 2024).

The following diagram shows India’s conventional and renewable energy capacity as at September 30, 2024.

**India’s RE (incl. large hydro) capacity was ~45% at the end of September 2024**



Conventional: Coal, Gas, Lignite, and Nuclear  
(Source: CRISIL Report, November 2024)

**Power Consumption**

We believe that there is huge potential for power demand in India. India's electricity requirement has risen at a CAGR of approximately 8.4% between Fiscal 2021 and Fiscal 2024 (Source: CRISIL Report, November 2024). Despite the high base of preceding three years, CRISIL Research expects power demand to grow by 5.5-6.0% in the next five years which will be supported by infrastructure-linked capital expenditure, strong economic fundamentals along with expansion of the power footprint via strengthening of the transmission and distribution infrastructure, coupled with major reforms initiated by the GoI for improving the overall health of the power sector, particularly that of state distribution utilities, are expected to improve the quality of power supply, thereby propelling power demand. (Source: CRISIL Report, November 2024).

**Solar Energy Potential**

In the renewable energy basket (including large hydro) as of September 2024, solar energy accounted for a share of 45%. (Source: CRISIL Report, November 2024). Growth in the solar power sector over the last five years has been robust according to CRISIL Research. Approximately 69 GW capacity was added in the segment over Fiscals 2018-25 (as of September 2024), registering a CAGR of approximately 24.7%, although on a low base. (Source: CRISIL Report, November 2024).

According to CRISIL Research, solar sector growth in India primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Some of the key catalysts include technological advancements, affordable financing, supportive policies, thrust on go-green initiatives/sustainability targets, cost optimization due to increased grid electricity tariffs, subsidy initiative (specially in rooftop solar) and various incentives such as the Inter State Transmission System charge waiver. (Source: CRISIL Report, November 2024) CRISIL Research expects 137-142 GW of solar capacity additions over Fiscal 2025 to Fiscal 2029. (Source: CRISIL Report, November 2024)

## ***Wind Energy Potential***

India has the fourth largest installed wind power capacity in the world, with approximately 47 GW as of September 31, 2024. (Source: CRISIL Report, November 2024). Wind power accounted for nearly 10.5% of India's total installed utility power generation capacity in Fiscal 2024 (as of September 2024). (Source: CRISIL Report, November 2024). Wind power capacity is mainly spread across the southern, western, and northwestern states of India.

CRISIL Research expects capacity additions to grow over the next five years led by pipeline build-up under existing schemes and new tendering schemes, improvement in technology, thrust on green hydrogen, renewable generation obligation and mixed resource models. (Source: CRISIL Report, November 2024). CRISIL Research expects wind power capacity additions be approximately 34-36 GW over Fiscal 2025 to Fiscal 2029, higher than the approximately 10 GW in additions seen over Fiscal 2018 to Fiscal 2023. (Source: CRISIL Report, November 2024).

For further information, see “*Industry Overview*” on page 151.

## **Our Strengths**

***We are promoted by NTPC Limited, which has extensive experience in executing large- scale projects, long-term relationships with offtakers and suppliers and financial strength***

We are among the top 10 renewable energy players in India in terms of operational capacity as of September 2024. (Source: CRISIL Report, November 2024). We benefit from the support, vision, resources and experience of the NTPC Group, which is looking to expand its non-fossil based capacity to 45-50% of its portfolio that will include 60 GW renewable energy capacity by 2032. (Source: CRISIL Report, November 2024). The NTPC Group is committed to our long-term success as its sustainability arm and partner and looks upon us to lead its efforts in proactively supporting India's energy transition to cleaner renewable energy. The NTPC Group is a large-scale integrated energy business with an electric power generating capacity of over 76 GW as of September 30, 2024 across coal, hydro, gas and renewable operations with a pan-India presence. (Source: CRISIL Report, November 2024).

NTPC Limited is a ‘Maharatna’ central public sector enterprise under the ownership and administrative control of the MOP of the Government of India. The NTPC Group's core function is the generation and distribution of electricity to State electricity boards and utilities, Central Government agencies and other PSUs. In that regard, as of September 30, 2024, the NTPC Group contributed approximately 17 % in India's total installed capacity and contributed approximately 24% in total power generated in India during the six months period ended September 30, 2024. (Source: CRISIL Report, November 2024).

We enjoy the strong parentage of NTPC Limited, which has a legacy of around five decades, is one of India's largest power companies, and has experience in operating and maintaining power stations efficiently and in acquiring land for large power projects throughout India. (Source: CRISIL Report, November 2024).

In addition, we have superior execution capabilities, which is demonstrated by 5 decades of successful operations by NTPC Limited. (Source: CRISIL Report, November 2024). We also benefit from long-term experience in dealing with State DISCOMs by our parent company. (Source: CRISIL Report, November 2024).

The NTPC Group also brings to the fore ₹4,922,304 million of assets as of September 30, 2024. NTPC Limited has highest credit rating from leading Indian rating agencies and ratings equivalent to India's sovereign ratings from foreign rating agencies. (Source: CRISIL Report, November 2024). NTPC limited has contributed ₹75,000 million to the Company by way of equity contributions since inception. See “*Capital Structure*” on page 113. We believe that our ability to leverage the NTPC Group's outstanding credit and its long-term relationships with financial institutions will continue to provide us with access to borrowing opportunities at attractive rates. In addition, our Company and our subsidiary, NREL, both have highest credit rating from CRISIL and India Ratings, respectively.



We also believe that the support of the NTPC Group will allow us to build on the reputation and brand equity afforded to the NTPC Group as a leading Indian power company so that we may grow our renewable energy portfolio and our own reputation as a green power company in India.

***We have a Portfolio of 16,896 MWs solar and wind projects as of September 30, 2024 with diversification across geographies and offtakers***

We have large portfolio of utility-scale solar energy projects and wind energy projects, as well as projects for PSUs and Indian corporates. These projects generate power and feed that power into the grid, supplying a utility or offtaker with energy. As of September 30, 2024, we had 17 offtakers across 41 solar projects and 11 wind projects. As of September 30, 2024, all of our offtakers from which we earned revenue in the six months period ended September 30, 2024 were government agencies and public utilities with which we have long-term PPAs with an average term of 25 years.

As of September 30, 2024, our Portfolio consisted of 16,896 MWs including 3,320 MWs operating projects and 13,576 MWs projects contracted and awarded. As of September 30, 2024, our Capacity under Pipeline consisted of 9,175 MWs. Together our Portfolio and Capacity under Pipeline, as of September 30, 2024, consisted of 26,071 MWs.

In the six months period ended September 30, 2024 and Fiscal 2024, renewable energy sales from our solar and wind projects accounted for 95.43% and 96.17% of our revenue from operations from our Restated Consolidated Financial Information. In Fiscal 2023 and Fiscal 2022, renewable energy sales from our solar and wind projects accounted for 96.94% and 97.19% of our revenue from operations from our Special Purpose Carved-Out Combined Financial Statements.

The tables below set out our renewable energy sales for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
<b>Total Renewable Energy Sales</b>	<b>18,874.56</b>	<b>96.17%</b>	<b>14,053.11</b>	<b>96.94%</b>	<b>8,848.36</b>	<b>97.19%</b>
<b>Revenue from operations</b>	<b>19,625.98</b>		<b>14,497.09</b>		<b>9,104.21</b>	

<sup>(1)</sup> Based on Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see "Summary Financial Information" on page 96 and "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

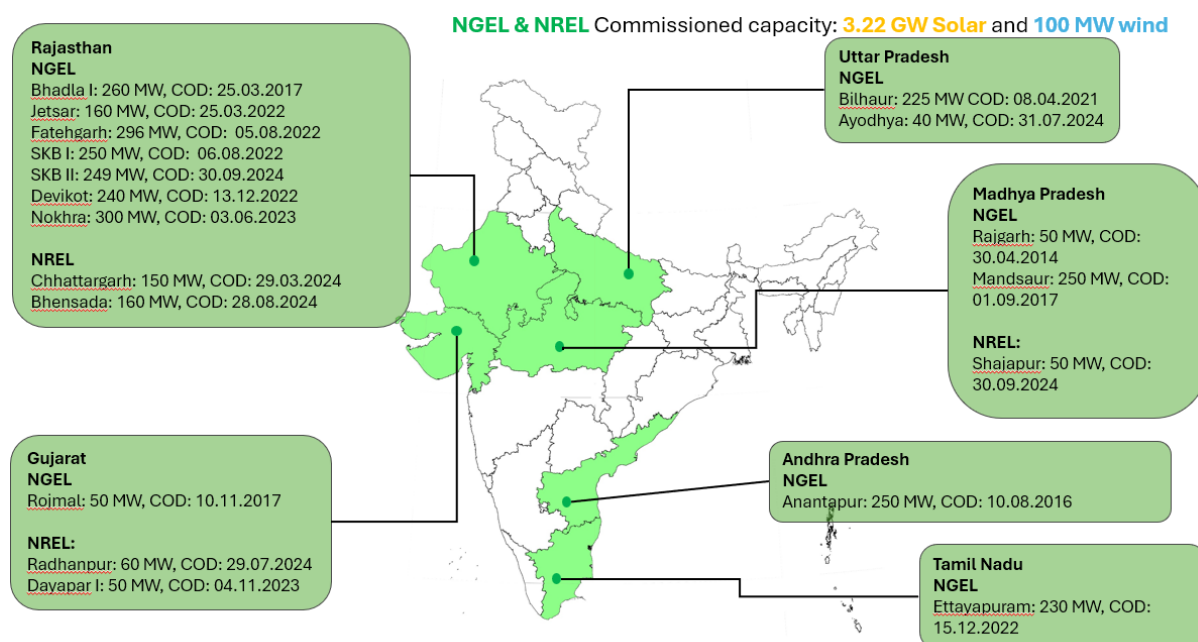
(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>				
Solar	9,825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
<b>Total Renewable Energy Sales</b>	<b>10,328.22</b>	<b>95.43%</b>	<b>9,769.26</b>	<b>96.89%</b>
<b>Revenue from operations</b>	<b>10,822.91</b>		<b>10,083.21</b>	

(1) Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023. See "Restated Consolidated Financial Information" on page 282.

Our Portfolio is concentrated in the resource rich states of Rajasthan and Gujarat, which have potential for renewable energy development and, we believe, sustained healthy levels of demand for renewable energy. Our portfolio is also located across 7 other states in India, helping to counter the concentration risk of offtakers, primarily Central and State government agencies and state public utilities.

Our operational projects are illustrated in the following map as of September 30, 2024.



Our Capacity under Pipeline represents our future development opportunities. We are considered a partner of choice by many PSUs for fulfillment of their renewable energy development goals. We have signed joint venture agreements with Rajasthan Rajya Vidyut Utpadan Nigam Limited (RRVUNL), Mahatma Phule Renewable Energy & Infrastructure Technology Limited MAHAPREIT), Damodar Valley Corporation (DVC) and two other PSUs and have signed MOUs or term sheets with other private corporates. For more information, see “-Our Projects – Pipeline and Joint Venture” on page 219.

***Experienced team in renewable energy project execution and procurement as well as operating and maintenance***

We are the renewable energy arm and subsidiary of NTPC Limited, and we along with the NTPC Group have a strong track record of developing, constructing and operating renewable power projects, driven by our experienced in-house management and procurement teams. As of September 30, 2024, we are in the process of constructing projects in 6 states consisting of 13,576 MWs, contracted and awarded. For details of our projects, see “-Our Projects” on page 213.

The table below sets forth additions to our megawatts operating, contracted and awarded as of the dates indicated. All our capacity additions have been through organic growth rather than acquisition.

Additions to megawatts operating	Company Operating Data		Carved-out Operating Data <sup>(1)</sup>	
	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b><i>MW Operating</i></b>				
Solar (MWs)	395	264	1,166	375
Wind (MWs)	0	50	0	0
Total MW operating additions in period/year	<b>395</b>	<b>314</b>	<b>1,166</b>	<b>375</b>
<b><i>MW Contracted and Awarded</i></b>				
Solar (MWs)	1,005	3,821	1,134	2,155
Wind (MWs)	1,000	1,500	350	150
Total MW contracted and awarded additions in period/year	<b>2,005</b>	<b>5,321</b>	<b>1,484</b>	<b>2,305</b>
<b><i>Total MW operating, contracted and awarded additions in period/year</i></b>	<b>2,400</b>	<b>5,635</b>	<b>2,650</b>	<b>2,680</b>

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

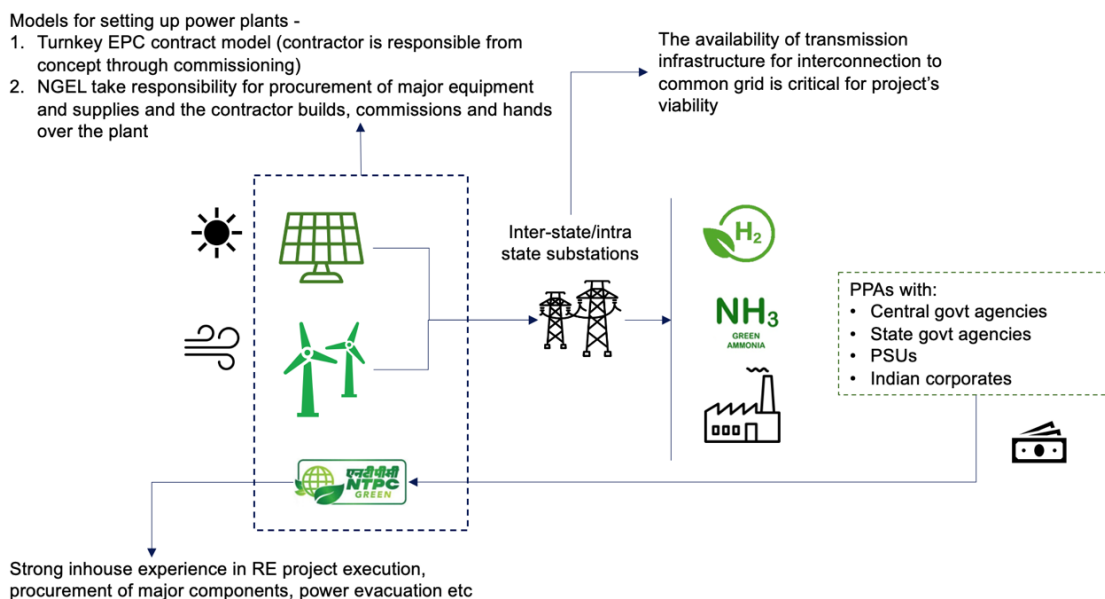
We believe that we along with the NTPC Group have strong inhouse experience in renewable energy project execution and procurement. Our in-house team, working with third-party aggregators, developers, and EPC contractors, manages the land acquisition process. Our power projects are located primarily on land leased from state governments and third parties and freehold land purchased by us from private individuals and entities. As of September 30, 2024, we owned approximately 8,900 acres of freehold land and approximately 45,700 acres of leasehold land relating to our projects. For more information, see “- Properties” on page 234.

The availability of transmission infrastructure for interconnection to common grid is critical for project’s viability. We evaluate the power evacuation capacity available at nearby inter-state/intra state substations using our in-house expertise and publicly available documents. Our project commissioning timelines are generally aligned with respect to the substations’ readiness for evacuation of power. The overall process involves submitting various applications to relevant statutory bodies and independent system operators for securing grid connection approvals, installation of transmission lines including arrangement of a right of way. We benefit from the long-term experience of the NTPC Group in connecting its projects to the grid.

For solar energy projects, construction includes design, engineering, procurement, structure, module and inverter installations, substation construction, interconnection work, and the balance of plant construction. In solar projects, we have diversified our strategy for setting up power plants from using turnkey engineering, procurement, and construction (“EPC”) contract model (where the contractor is responsible from concept through commissioning) to a model where we take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We also use the turnkey EPC contract model based on specific project conditions.

For wind energy projects construction includes turbine installations and the balance of plant, which encompasses transmission lines and substation. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the balance of plant. However, we have also started bifurcating the total project scope into balance of plant (including procurement of land) and supply and installation of wind turbine generators.

Set forth below is a diagram setting forth our models for power plant development.



We purchase major components such as solar panels, inverters, wind turbines and some components of power evacuation systems directly from domestic and international manufacturers. We have an established network of reputed vendors located in India and overseas. We have a rigorous quality assurance and vendor empanelment process, with a limited number of approved suppliers. Further, we aim to continue to leverage the NTPC Group's economies of scale to negotiate and reduce the cost of components, equipment and materials for our solar and wind projects from domestic and foreign original equipment manufacturers and suppliers.

We have a rigorous quality assurance and vendor empanelment process, with a limited number of approved suppliers. Our inhouse procurement team selects suppliers based on expected cost, reliability, commercial conditions, manufacturing capacity, track record, quality, warranty coverage, ease of installation and other ancillary costs, and we have key relationships with a number of solar and wind component suppliers in the market. Our in-house procurement team then monitors our purchases throughout the supply chain.

Our O&M services for our renewable energy projects are provided through third-party service providers. We have a strong focus on improving the operational efficiency of our plants. Towards that end, we are employing technologies including

- Robotic dry cleaning of photovoltaic arrays;
- Drone photovoltaic thermography;
- SCB thermography;
- Live dashboards for generation performance monitoring on our plant information server;
- Mechanized module washing, vegetation removal;
- CCTV Surveillance for plant security; and

- Module and string level I-V tracing.

Using these O&M technologies and by adopting industry-leading O&M practices, we will be able to maximize and maintain the efficiency and life cycles of our equipment. For more information, see “- *Operations and Maintenance*” on page 226.

***Growing revenues along with strong credit ratings that enable a low cost of capital employed***

Our portfolio of operating solar and wind projects, focus on maintaining high capacity utilization (as evidenced by our CUF), operational efficiency and low operating costs are our strengths that have yielded our growth in revenues and EBITDA.

Summary of our financial performance are as follows:

(₹ millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	10,822.91	10,083.21	19,625.98	14,497.09	9,104.21
Operating EBITDA <sup>(3)</sup>	9,315.65	9,146.10	17,464.70	13,096.16	7,948.88
Operating EBITDA Margin <sup>(4)</sup>	86.07%	90.71%	88.99%	90.34%	87.31%
Profit before tax	2,463.70	2,808.00	4,881.98	3,908.87	2,668.99
Profit after tax	1,753.00	2,081.62	3,447.21	4,564.88	947.42
PAT Margin <sup>(5)</sup>	16.20%	20.64%	17.56%	31.49%	10.41%
Interest Coverage <sup>(6)</sup>	2.60	2.76	2.64	2.80	3.17
Net Debt/Equity <sup>(7)</sup>	1.91	1.82	1.98	1.09	4.41

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-out Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

<sup>(3)</sup> Operating EBITDA is calculated as profit before tax for the year, plus finance costs and depreciation and amortisation expenses, less other income.

<sup>(4)</sup> Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations.

<sup>(5)</sup> PAT Margin is calculated as profit for the period/year divided by revenue from operations.

<sup>(6)</sup> Interest coverage is calculated as EBITDA divided by interest. EBITDA is calculated as earnings before interest, depreciation and amortisation and taxes.

<sup>(7)</sup> Net Debt / Equity Ratio is calculated as net debt divided by total equity.

Our revenue from operations has grown at a CAGR of 46.82% from ₹9,104.21 million in Fiscal 2022 (on a special purpose carved-out basis) to ₹19,625.98 million in Fiscal 2024 (on a restated basis). Our Operating EBITDA has grown at a CAGR of 48.23% from ₹7,948.88 million in Fiscal 2022 (on a special purpose carved-out basis) to ₹17,464.70 million in Fiscal 2024 (on a restated basis). Our Profit After Tax has grown at a CAGR of 90.75 % from ₹947.42 million in Fiscal 2022 (on a special purpose carved-out basis) to ₹3,447.21 million in Fiscal 2024 (on a restated basis). For the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024, we achieved an Operating EBITDA margin of 86.07%, 90.71% and 88.99%, respectively, on a restated basis. For Fiscal 2023 and Fiscal 2022, we achieved an Operating EBITDA margin of 90.34%, and 87.31%, respectively,

on a special purpose carved-out basis. For the six months periods ended September 30, 2024 and 2023 and for Fiscal 2024, we achieved a profit margin of 16.20%, 20.64% and 17.56%, respectively, on a restated basis. For Fiscal 2023 and Fiscal 2022, we achieved a PAT margin of 31.49%, and 10.41%, respectively, on a special purpose carved-out basis.

With strong parent support and diversified portfolio with long term PPA, the Company is able to maintain a healthy interest coverage ratio. (Source: CRISIL Report, November 2024). As of September 30, 2024 and March 31, 2024, our interest coverage ratio was 2.60 times and 2.64 times (on a restated basis), respectively, and, as of March 31, 2023 and March 31, 2022, was 2.80 times and 3.17 times (on a special purpose carved-out basis), respectively.

Our net debt-to-equity ratio of as March 31, 2024 was 1.98 times which have improved from 4.41 times as of March 31 2022. Our net debt-to-equity ratio of as September 30, 2024 was 1.91 times. Our total borrowings (on a restated basis) as of September 30, 2024, comprises of borrowings of ₹170,574.96 million unsecured borrowings of ₹145,254.61 million and secured borrowings of ₹ 25,320.35 million.

We benefit from a strong balance sheet and AAA rating from CRISIL as of May 8, 2024. We believe that our ability to leverage the NTPC Group's outstanding credit and its long-term relationships with financial institutions will continue to provide us with access to a low cost of capital.

For further information, "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 431.

### ***Experienced Management Team***

We have a strong management team with extensive experience in the renewable energy sector, in-depth understanding of managing solar and wind power projects and proven track record of performance. Our senior management team, led by the Board of Directors, have decades of experience in the Indian power industry. Our senior management team has played an instrumental role in solidifying our offtaker relationships as well as our relationship with regulators. We rely on our leadership and management team's guidance to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. We believe that we will continue to benefit from the experience, leadership and vision of our management team and Board. For additional details, see "Our Management" on page 252.

### **Our Strategies**

We have the following key business strategies to grow our business.

#### ***Continue to grow project pipeline through prudent bidding and strategic joint ventures with PSUs and private corporates***

CRISIL Research expects 137-142 GW of solar capacity additions over Fiscal 2025 to Fiscal 2029 and wind power capacity additions be approximately 34-36 GW over Fiscal 2025 to Fiscal 2029. (Source: CRISIL Report, November 2024). In this growing market for renewable power, we intend to continue to strengthen our position as one of the leading renewable energy companies in India (in terms of total commissioned capacity) in our core solar and wind energy businesses and focus on new geographies and new offtaker customers.

We intend to leverage our experience in executing large solar and wind energy projects to further win bids and tenders of Central and State government agencies and state public utilities. In particular, we aim to focus on gigawatt scale projects Our prudent bidding approach and financial discipline is aimed at achieving pre-determined internal rate of returns from our projects. To maintain a similar growth rate and to achieve our internal rate of returns, we intend to continue deploying a prudent approach which is backed by thorough diligence and data analysis of proposed projects. In Fiscal 2024, we emerged as the market leader in the winning capacities under Tariff Based Competitive Bidding in the sector with an aggregate capacity of 3.5 GW which is equivalent to AC capacity of around 5 GW. (Source: CRISIL Report, November 2024).

The table below sets forth information about our bids/tenders in solar and wind power projects by Central and State governments and agencies for the periods indicated.

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023 <sup>(2)</sup>	Fiscal 2022 <sup>(2)</sup>
Capacity of bids auctioned (in MW) <sup>(1)</sup>	N/A	49,000	12,000	18,000
Capacity of bids participated in (in MW)	6,350	21,325	5,250	10,735
Quoted capacity (in MW)	1,770	8,900	2,255	6,090
Capacity for which our bids/tenders won (in MW)	400	3,455	1,190	3,265
<i>Percentage of bids won against capacity of total bids quoted (Bid Success Ratio)</i>	<b>22.60%</b>	<b>38.82%</b>	<b>52.77%</b>	<b>53.61%</b>

<sup>(1)</sup> Solar and wind project auctioned by central and state governments in the period. (Source: CRISIL Report, November 2024).

<sup>(2)</sup> Our Company was incorporated on April 7, 2022, and, in Fiscal 2023, we had only 31 days of operation from February 28, 2023 after assets were transferred from NTPC Limited to our Company. Bids/tenders made in Fiscal 2023 and Fiscal 2022 were made by the NTPC Group.

Our Capacity under Pipeline represents our future development opportunities with other PSUs and private companies with whom we have signed MOUs or term sheets. We have signed joint venture agreements with Rajasthan Rajya Vidyut Utpadan Nigam Limited (RRVUNL), Mahatma Phule Renewable Energy & Infrastructure Technology Limited MAHAPREIT), Damodar Valley Corporation (DVC) and two other PSUs and have signed MOUs or term sheets with other private corporates. For more information, see “*Our Projects – Pipeline and Joint Venture*” on page 219. In addition, we are considered a partner of choice by PSUs for fulfillment their renewable energy development goals. Accordingly, we will look at growth opportunities with PSUs as well as private corporates. We believe that our ability to deliver comprehensive renewable energy solutions to PSU and corporate customers will enable us to capture a greater share of this fast-growing market.

Further, on strategic basis, we will continue to evaluate accretive acquisition opportunities based on our targeted returns, available synergies and offtaker criteria.

#### ***Focus on projects in new energy solutions like green hydrogen, green chemicals and storage***

We are investing in hydrogen, green chemical and battery storage capabilities and solutions as well as associated technologies. Our current initiatives in green hydrogen and green chemicals include the development of a green hydrogen hub at Pudimadaka and finalizing a tie-up for electrolyzers. In the area of battery storage, we intend to install the Grid scale battery storage as part of Firm and Dispatchable Renewable Energy (FDRE)/Round-the-Clock (RTC) projects to complement the solar and wind power in addition to participate in standalone Grid scale battery energy storage system service tenders in the market for various DISCOMS or Grid balancing. Further, we are in process to install Battery Energy Storage at a NTPC Thermal plant to smooth the flexibilization on pilot basis.

According to CRISIL Research, Battery Energy Storage Systems (BESS) is another form of storage technology which has gained traction in the last few years. It has a very high energy density, making it appropriate to offer ancillary services. More importantly, BESS can be installed easily, requires less time for setup, and can be used for a wide range of grid support activities, such as energy time shift, distribution deferral, and energy arbitrage. (Source: CRISIL Report, November 2024). In that regard, a recent report by the CEA suggests that India will require at least 41.7 GW/208 GWh of battery energy storage systems and 18.9 GW of pumped storage of hydroelectricity by Fiscal 2030.

We are undertaking various initiatives that fall under Article 6.2 of Paris Agreement including investing in green hydrogen, green chemicals and battery storage capabilities and solutions as well as associated technologies.

Our current initiatives include:

- Developing battery storage and round-the-clock renewable energy projects;
- Developing green hydrogen hub at Pudimadaka;
- Finalising a tie-up for electrolyzers;
- Other projects including a renewable energy park in Maharashtra and green hydrogen production in Rajasthan.

### *Battery Storage and Round the clock RE Power*

In June 2023, the MOP issued guidelines for procurement of firm and dispatchable power from grid connected renewable energy projects with energy storage systems. The guidelines will include configurations like Round the Clock renewable energy with firm delivery of power at rated capacity at any hour of the day as per the demand or load. (Source: CRISIL Report, November 2024).

We have been one of the front runners in development of Round the Clock renewable energy projects in the country. (Source: CRISIL Report, November 2024). “Round the Clock” renewable energy (RTC-RE) project is a form of supply that combines storage system such as battery energy storage system or PSP with Solar, Wind or Hydro to meet a demand at a desired availability and cost. (Source: CRISIL Report, November 2024). We are presently developing 2.7 GW of Round the Clock renewable energy capacity, which also includes one of the world’s largest Round the Clock renewable energy projects of 1.3 GW. (Source: CRISIL Report, November 2024).

### *Green hydrogen hub*

We are developing a Green Hydrogen Hub at Pudimadaka in Andhra Pradesh. The project is spread over 1,200 acres for the production of Green Hydrogen and its derivatives and the manufacturing of renewable energy-related components and systems. The land lease agreement has been signed in the month of February 2024 and the land is currently in possession. We have already submitted the Pre-Feasibility report to the Government of Andhra Pradesh.

The land in the industrial hub would be allocated to manufacturers of electrolyzers, fuel cells, solar photovoltaic modules, battery energy storage systems and other green energy systems. The facility would be plug and play for the manufactures with power, water, effluent treatment plants, sewage treatment plants, roads, landscapes, logistics zone, common infrastructure, medical, shopping, convention centre, guest house and other state of art facilities. An area of 300 acres is earmarked for the industrial hub and 200 acres are segregated for common infra and green belt. We are in discussions with various master planning and infrastructure design companies for commencing work on the industrial hub in Fiscal 2025.

600 acres of the hub will be dedicated towards green chemicals production. It includes the construction of India's largest green hydrogen production facility (1,100 TPD), which would be converted to hydrogen derivatives such as green ammonia, green methanol, and sustainable aviation fuel, primarily focusing on the domestic, EU and South Asian export markets.

We believe that the proposed hub has the potential to bring significant investment, employment opportunities and economic benefits to Andhra Pradesh.

Green hydrogen is not commercially viable as on the date of this Red Herring Prospectus; and there can make no assurance that green hydrogen will be commercially viable in future.

### *Tie-up for electrolyzers*

Through a competitive bidding process, we have selected two technology providers to work with us for participating in upcoming tenders on green hydrogen production. This will allow us to participate in future commercial scale green hydrogen projects.

### *Other JV Agreements*

Further, we have signed a JV Agreement with a state entity, Mahatma Phule Renewable Energy & Infrastructure Technology Limited (MAHAPREIT) to implement Renewable Energy Park projects, including solar, wind, and hybrid energy, with a capacity of up to 10 GW in Maharashtra.

Additionally, we have signed a JV Agreement with Rajasthan Rajya Vidyut Utpadan Nigam Limited for the development of renewable energy projects (solar, wind, and hybrid), with or without storage up to a total capacity of 25 GW. This JV Agreement also includes the production of green hydrogen and its derivatives, such as green ammonia and green methanol, with a capacity of up to 1 million MT through a suitable mode.



### ***Drive efficiency and cost reductions in project execution and operating & maintenance***

We seek to further enhance our project execution efforts in order to control our costs and optimize the output of our projects. At the project execution stage, we intend to continue to leverage NTPC Group's economies of scale to negotiate and reduce the cost of both our EPC and construction contracts as well as our cost of components, equipment and materials for our solar and wind projects from domestic and foreign OEMs and suppliers. In project construction, we plan to take responsibility for procurement of major equipment and supplies including modules and wind turbine generators. We also plan to leverage the NTPC Group's expertise in land acquisition. In addition, we aim to reduce our operating and maintenance costs.

To reduce our project costs per megawatt operating we intend to implement new technologies viz our new turbines, solar modules, which are capable of higher generation levels. We are incorporating robotic cleaning storage technologies to reduce auxiliary power consumption, using artificial intelligence ("AI") enabled tools for forecasting and scheduling, utilizing drones and new maintenance technologies as part of enhanced project monitoring and O&M efforts. In addition, to further reduce our O&M costs, we are looking to

- Maintain a supply of critical spares like inverters, IDTs and Tie transformers on pooled basis which can be utilized in all our nearby power plants;
- Award bulk O&M contracts for O&M of multiple power plant locations to optimize our annual costs;
- Implement manpower planning following a cluster-based approach for employee cost optimisation;
- Secure long term warranty coverage with OEMs for inverters and SCADA systems; and
- Deploy cloud computing based remote asset monitoring integrated using AI and machine learning technologies for O&M and generation performance analysis.

### ***Continue to contribute to India's sustainability efforts***

We were established to be the renewable energy arm for the NTPC Group and to help achieve its medium-term target of achieving 60 GW of renewable capacity by 2032. (Source: CRISIL Report, November 2024). The NTPC Group is committed to our long-term success and aims for us to lead its efforts in proactively supporting India's energy transition to cleaner renewable energy.

As a pure play renewable energy company, we are working towards clean energy transition and contributing to India to meet its Net zero target.

Our environment and sustainability efforts include:

- We estimate that our renewable power generation helped to avoid the production of approximately 5.32 metric tons of CO<sub>2e</sub> in Fiscal 2024.
- We are working to reduce our water consumption and recognize that the water required for cleaning our solar modules may result in adverse environmental impact. We are in the process of installing robotic dry-cleaning systems to eliminate the requirement for water.
- We have registered our renewable energy projects with different international carbon programs, such as Clean Development Mechanism (CDM), Verified Carbon Standard (VCS) and Global Carbon Council (GCC).

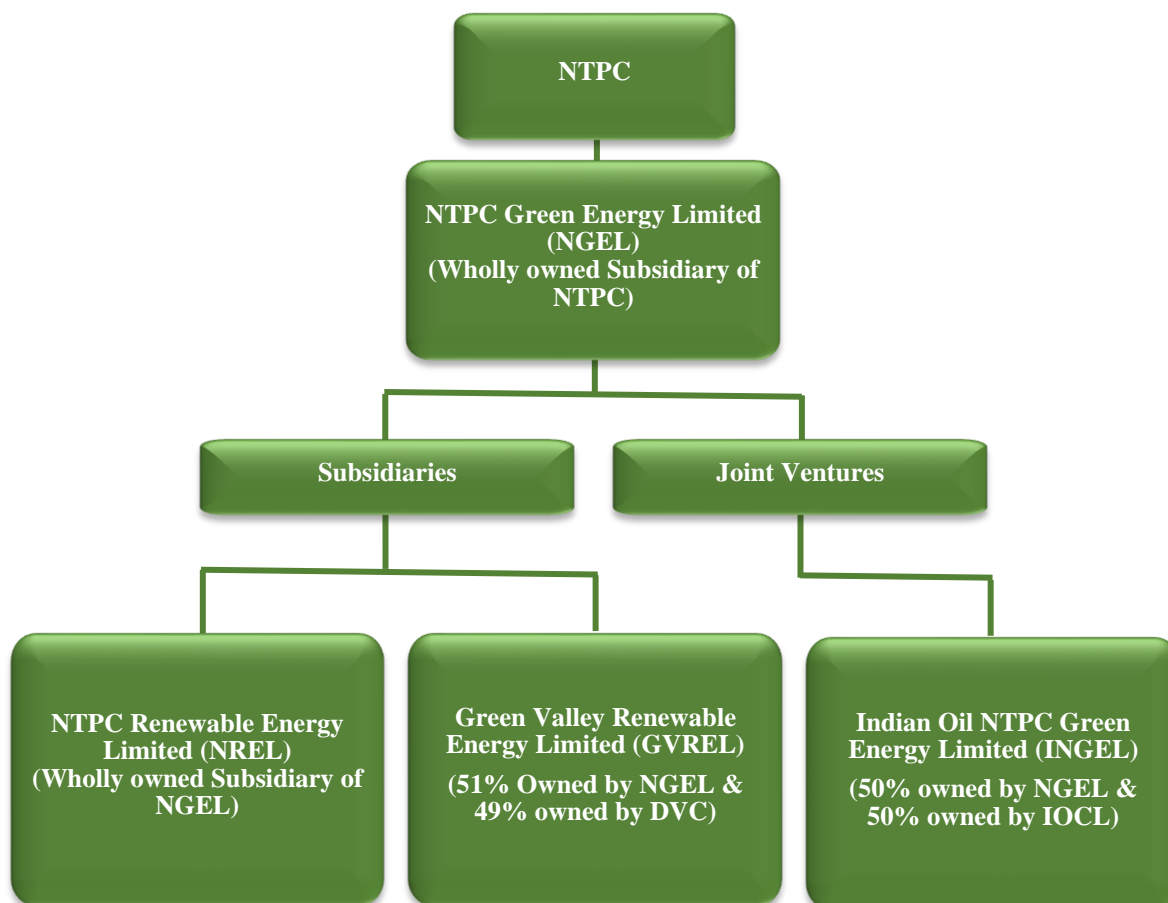
In addition, we are committed to maintaining high standards of workplace health and safety, we aim to become a zero-accident organisation. We have a safety management system which has been implemented across our projects. Further, we conduct comprehensive safety reviews and audits by safety consultants. As of September 30, 2024, we had a health, safety and environment team with the responsibility of round-the-clock monitoring of our operations.

### **Our Corporate Structure**

Our Company had two subsidiaries: NTPC Renewable Energy Limited (100% owned by our Company) and Green Valley Renewable Energy Limited (51% owned by our Company and 49% by Damodar Valley Corporation (DVC)).

Our Company had one joint venture: Indian Oil NTPC Green Energy Private Limited (50% owned by our Company and 50% owned by Indian Oil Corporation Limited).

Our organizational chart is set forth below.



We also have various joint ventures for which we have entered MOUs or Term Sheets. For more information, see “-Our Projects – Pipeline and Joint Ventures” on page 219.

**Our Projects**

We are strategically focused on developing a portfolio of utility-scale solar energy projects and utility-scale wind energy projects, as well as projects for PSUs and corporates. In the six months period ended September 30, 2024 and Fiscal 2024, renewable energy sales accounted for 95.43% and 96.17%, respectively, of our revenue from operations from our Restated Consolidated Financial Information. In Fiscal 2023 and Fiscal 2022, renewable energy sales accounted for 96.94% and 97.19%, respectively, of our revenue from operations from our Special Purpose Carved-Out Combined Financial Statements.

The tables below set forth the break-up of our revenue from operations for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
Consultancy, project management and supervision fee	100.47	0.51%	0.00	0.00%	0.00	0.00%
Other operating revenues recognized from Government Grants	650.95	3.32%	443.98	3.06%	255.85	2.81%
Interest from Customers	-	0.00%	-	0.00%	-	0.00%
<b>Revenue from operations</b>	<b>19,625.98</b>	<b>100.00%</b>	<b>14,497.09</b>	<b>100.00%</b>	<b>9,104.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>				
Solar	9,825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
Consultancy, project management and supervision fee	140.42	1.30%	0.00	0.00%
Other operating revenues recognized from Government Grants	327.79	3.03%	313.95	3.11%
Interest from Customers	26.48	0.24%	0.00	0.00%
<b>Revenue from operations</b>	<b>10,822.91</b>	<b>100.00%</b>	<b>10,083.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023. See “Restated Consolidated Financial Information” on page 282.

Consultancy, project management and supervision fees are revenue that we earn for providing consultancy and project management services to our clients.

Other operating revenue also include revenue recognized from government grants under viability gap funding (VGF) support received from MNRE/Central Government for some of our projects.

### Operating Capacity by State

The following tables set forth our (1) megawatts operating by state and (2) megawatts operating, contracted and awarded by state.

Particulars	Megawatts Operating by State							
	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity	MWs	% of Operating Capacity
<b>Madhya Pradesh</b>								
...solar	350	10.54%	300	10.26%	300	11.49%	300	20.77%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Andhra Pradesh</b>								
...solar	250	7.53%	250	8.55%	250	9.57%	250	17.30%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Rajasthan</b>								
...solar	2,065	62.20%	1,806	61.74%	1,556	59.59%	620	42.89%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Uttar Pradesh</b>								
...solar	265	7.98%	239	8.17%	225	8.62%	225	15.57%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Gujarat</b>								
...solar	60	1.81%	0	0.00%	0	0.00%	0	0.00%
...wind	100	3.01%	100	3.42%	50	1.91%	50	3.46%
<b>Tamil Nadu</b>								
...solar	230	6.93%	230	7.86%	230	8.81%	0	0.00%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Total MW operating</b>	<b>3,320</b>		<b>2,925</b>		<b>2,611</b>		<b>1,445</b>	

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Particulars	Megawatts Operating, Contracted and Awarded by State							
	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded
<b>Madhya Pradesh</b>								
...solar	625	3.70%	625	4.31%	625	7.05%	625	10.06%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Andhra Pradesh</b>								
...solar	250	1.48%	250	1.72%	250	2.82%	250	4.03%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Rajasthan</b>								
...solar	5,636	33.36%	5,036	34.74%	2,776	31.33%	2776	44.69%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Uttar Pradesh</b>								
...solar	265	1.57%	265	1.83%	225	2.54%	225	3.62%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%

Particulars	Megawatts Operating, Contracted and Awarded by State							
	Company Operating Data				Carved-out Operating Data <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded	MWs	% of Megawatts Operating, Contracted and Awarded
<b>Gujarat</b>								
...solar	6,220	37.17%	5,680	39.18%	4,205	47.46%	1905	30.67%
...wind	1,582	9.36%	1,274	8.79%	550	6.21%	200	3.22%
<b>Tamil Nadu</b>								
...solar	230	1.36%	230	1.59%	230	2.60%	230	3.70%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Karnataka</b>								
...solar	0	0.00%	0	0.00%	0	0.00%	0	0.00%
...wind	826	4.89%	826	5.70%	0	0.00%	0	0.00%
<b>West Bengal</b>								
...solar	75	0.44%	75	0.52%	0	0.00%	0	0.00%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Jharkhand</b>								
...solar	235	1.39%	235	1.62%	0	0.00%	0	0.00%
...wind	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>To be decided</b>								
...solar	200	1.18%						
...wind	692	4.10%						
<b>Total MW operating contracted and awarded</b>	<b>16,896</b>		<b>14,496</b>		<b>8,861</b>		<b>6,211</b>	

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Operational Projects

Operational projects as of September 30, 2024 are summarized in the following table.

Project Name	Location	Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	Tariff (₹/kWh)	CUF (Fiscal 2024) (%)	Offtaker*	Duration of PPA in years
<b>Solar Projects</b>							
<b>NTPC Green Energy Limited (NGEL)</b>							
Rajgarh	Madhya Pradesh	30.04.2014	50	7.87	16.03%	Offtaker	25 Years
Anantapur	Andhra Pradesh	10.08.2016	250	5.96	17.41%	Offtaker	25 Years
Bhadla-I	Rajasthan	25.03.2017	260	5	18.63%	Offtaker	25 Years
Mandsaur	Madhya Pradesh	01.09.2017	250	5	16.63%	Offtaker	25 Years
Bilhaur	Uttar Pradesh	08.04.2021	225	3.17 (140 MW)/ 3.02 (85MW)	23.17% (140 MW)/ 22.48% (85 MW)	Uttar Pradesh Power Corporation Limited	25 Years
Jetsar	Rajasthan	25.03.2022	160	2.5	25.04%	SECI	25 Years
Fatehgarh	Rajasthan	05.08.2022	296	2.86	28.54%	Telangana Discoms	25 Years

Project Name	Location	Commercial Operation Date <sup>(1)</sup>	PPA Capacity (MW)	Tariff (₹/kWh)	CUF (Fiscal 2024) (%)	Offtaker*	Duration of PPA in years
Shimbhoo Ka Bhurj -I	Rajasthan	06.08.2022	250	2.86	28.47%	Telangana Discoms	25 Years
Shimbhoo Ka Bhurj -II	Rajasthan	29.09.2022	150	2.86	29.90%	Telangana Discoms	25 Years
Shimbhoo Ka Bhurj -II	Rajasthan	30.09.2024	99	2.86	NA	Telangana Discoms	25 Years
Devikot	Rajasthan	13.12.2022	240	2.86 (150MW)/ 2.74 (90 MW)	27.41% (150MW)/ 27.93% (90 MW)	Telangana Discoms	25 Years
Ettayapuram	Tamil Nadu	15.12.2022	230	2.69	24.20%	Telangana Discoms	25 Years
Nokhra	Rajasthan	03.06.2023	300	2.86	27.35%	Telangana Discoms	25 Years
Ayodhya	Uttar Pradesh	27.01.2024	14	NA	22.10%	Uttar Pradesh Power Corporation Limited	25 Years
Ayodhya	Uttar Pradesh	31.07.2024	26	NA	NA	Uttar Pradesh Power Corporation Limited	25 Years
<b>NTPC Renewable Energy Limited (NREL)</b>							
Chhattargarh	Rajasthan	29.03.2024	150	2.01	30.10%	SECI	25 Years
Bhensada	Rajasthan	28.08.2024	160	2.01	NA	SECI	25 Years
Shajapur	Madhya Pradesh	30.09.2024	50	2.33	NA	Offtaker	25 Years
GUVNL-II	Gujarat	29.07.2024	60	2.20	NA	Gujarat Urja Vikas Nigam Limited	25 Years
<b>Wind Projects</b>							
<b>NTPC Green Energy Limited (NGEL)</b>							
Rojmal	Gujarat	10.11.2017	50	4.19	23.32%	Gujarat Urja Vikas Nigam Limited	25 Years
<b>NTPC Renewable Energy Limited (NREL)</b>							
Dayapar-I	Gujarat	04.11.2023	50	2.34	11.06%	SECI	25 Years
<b>Total</b>			<b>3,320</b>				

\* The disclosure of names has only been made for such off-takers who have provided consent to being named in the Issue Documents. Remaining names from our top 9 off-takers have not been included in this Red Herring Prospectus due to non-receipt of consent from such off-takers to be named in the Issue Documents.

<sup>(1)</sup> The commercial operation date herein above table is the latest commercial operation date of respective power projects i.e. the commercial operation date of last phase where the respective projects are commissioned in various phases.

### Contracted & Awarded Projects

Contracted and awarded projects (but not operational – see above) as of September 30, 2024 are summarized in the following table.

Project Name	Location	PPA Capacity (MW)	Tariff (₹/kWh)	Design CUF <sup>(1)</sup> (%)	Offtaker *	Duration of PPA in years
<b>Solar Projects:</b>						
<b>NTPC Green Energy Limited (NGEL)</b>						
Shimbhoo Ka Bhurj -II	Rajasthan	51	2.86	Min CUF 19%	Telangana Discoms	25 Years

Project Name	Location	PPA Capacity (MW)	Tariff (₹/kWh)	Design CUF <sup>(1)</sup> (%)	Offtaker *	Duration of PPA in years
<b>NTPC Renewable Energy Limited (NREL)</b>						
GUVNL-I	Gujarat	200	1.99	Contracted CUF 27.69%	Gujarat Urja Vikas Nigam Ltd.	25 Years
GUVNL-II	Gujarat	90	2.2	Contracted CUF 27.91%	Gujarat Urja Vikas Nigam Ltd.	25 Years
Shajapur	Madhya Pradesh	275	2.35 (105) & 2.33 (170)	Not available	Offtaker	25 Years
Bhensada	Rajasthan	160	2.01	Min CUF 19%	SECI	25 Years
Bhadla II	Rajasthan	500	2.17	Min CUF 23.42%	SECI	25 Years
Khavda-I	Gujarat	1,255	2.57	Min CUF 19%	Various offtakers	25 Years
SECI H Tr IV	Gujarat	300	2.34	Min CUF 27%	SECI	25 Years
Khavda-III (EPC)	Gujarat	300	2.53	Min CUF 27%	SECI	25 Years
GSECL-I	Gujarat	200	2.89	Contracted CUF 29.94%	Gujarat Urja Vikas Nigam Ltd.	25 Years
GSECL-II	Gujarat	225	2.67	Contracted CUF 30.20%	Gujarat Urja Vikas Nigam Ltd.	25 Years
REMCL-II #	Rajasthan	260	4.37	PPA Yet to be executed	Offtaker	25 Years
SECI Solar TR-XIII #	Rajasthan	250	2.57	PPA Yet to be executed	SECI	25 Years
SECI Solar TR-XIV #	Rajasthan	200	2.58	PPA Yet to be executed	SECI	25 Years
PFC Solar #	Rajasthan	900	2.53	PPA Yet to be executed	NTPC	25 Years
RECPDCL #	Gujarat	550	2.56	PPA Yet to be executed	NTPC	25 Years
Khavda-IV #	Gujarat	800	2.80	PPA Yet to be executed	Offtaker	25 Years
Khavda-II #	Gujarat	1200	2.80	PPA Yet to be executed	Offtaker	25 Years
Khavda-V	Gujarat	500	2.78	Contracted CUF 30%	Gujarat Urja Vikas Nigam Ltd.	25 Years
REMCL-I	Rajasthan	650	4.12	Not Available	Offtaker	25 Years
SECI Hybrid TR-VII	Rajasthan	200	3.15	Min CUF 27%	SECI	25 Years
SJVN 1200	Rajasthan	200	2.53	PPA Yet to be executed	Offtaker	25 Years
SECI Solar TR-XVI	Rajasthan	200	2.48	PPA Yet to be executed	SECI	25 Years
<b>Green Valley Renewable Energy Limited (GVREL)</b>						
Tilaiya	Jharkhand	155	Tariff to be determined	Contracted CUF: 25.35%	Damodar Valley Corporation	25 Years
Panchet-I	West Bengal	75	Tariff to be determined	Contracted CUF: 25.35%	Damodar Valley Corporation	25 Years
Panchet-II	Jharkhand	80	Tariff to be determined	Contracted CUF: 25.35%	Damodar Valley Corporation	25 Years
<b>Indian Oil NTPC Green Energy Limited (INGEL)</b>						
Bhuj Solar (INGEL)	Gujarat	600	Tariff to be determined	Not Available	Indian Oil Corporation Limited	25 Years
INGEL	To be decided	200	Tariff to be determined	Not Available	Indian Oil Corporation Limited	25 Years
<b>Wind Projects:</b>						
<b>NTPC Renewable Energy Limited (NREL)</b>						
Dayapar-I	Gujarat	100	2.34	Min CUF 27%	SECI	25 years

Project Name	Location	PPA Capacity (MW)	Tariff (₹/kWh)	Design CUF <sup>(1)</sup> (%)	Offtaker *	Duration of PPA in years
Dayapar-II	Gujarat	200	2.89	Min CUF 26.912%	SECI	25 Years
Dayapar-III	Gujarat	150	2.53	Min CUF 27%	SECI	25 Years
REMCL-I	Gujarat/ Karnataka	1050	4.12	Not Available	Offtaker	25 Years
SECI Hybrid TR-VII	Gujarat/ Karnataka	100	3.15	Min CUF 27%	SECI	25 Years
REMCL-II #	Karnataka	400	4.37	PPA Yet to be executed	Offtaker	25 Years
<b>Indian Oil NTPC Green Energy Limited (INGEL)</b>						
Dwarka Wind (INGEL)	Gujarat	308	Tariff to be determined	Not Available	Indian Oil Corporation Limited	25 Years
INGEL	To be decided	692	Tariff to be determined	Not Available	Indian Oil Corporation Limited	25 Years
<b>Total</b>		<b>13,576</b>				

\* The disclosure of names has only been made for such off-takers who have provided consent to being named in the Issue Documents. Remaining names of our off-takers have not been included in this Red Herring Prospectus due to non-receipt of consent from such off-takers to be named in the Issue Documents.

# The PPA for this project has not been executed and information provided is based solely on the LOA with respect to the project.

<sup>(1)</sup> Design CUF is the capacity utilization factor as mentioned in the relevant document of respective projects.

### Pipeline and Joint Ventures

We have entered joint ventures or bilateral agreements for which we have signed an MOU or joint venture agreement. In general, our MOUs provide that we will take the lead for project development and O&M in respect of the proposed project.

Our joint venture and bilateral agreements for which we have a signed an MOU or joint venture agreement as of September 30, 2024 are summarized in the following table.

Joint Venture Partner(s)/Bilateral Party*	Type of Proposed Project	Project Capacity	Location	Agreement Signed	Status of project	JV Term
<b>Solar Projects</b>						
Bilateral Party	Solar	2,000	To be decided	28-03-2023	Pipeline	Bilateral Agreement
Damodar Valley Corporation	Solar	445	Jharkhand	29-3-2022	Pipeline	25 Years
Joint Venture	Solar	2,500	Maharashtra	28-02-2024	Pipeline	To be decided
Joint Venture	Solar	1,980	Uttar Pradesh	04-03-2024	Pipeline	To be decided
<b>Wind Projects</b>						
Bilateral Party	Wind	2,250	To be decided	28-03-2023	Pipeline	Bilateral Agreement
<b>Total</b>		<b>9,175</b>				

\* The disclosure of names has only been made for such joint venture partners or bilateral agreement parties who have provided consent to being named in the Issue Documents. Remaining names of our joint venture partners or bilateral agreement parties have not been included in this Red Herring Prospectus due to non-receipt of consent from such joint venture partners or bilateral agreement parties to be named in the Issue Documents.

<sup>(1)</sup> Capacity under Pipeline Data as at September 30, 2024 is based on signed term sheets, Memorandum of Understanding, and executed JV agreement with various agencies for the development of multiple projects including the Renewable Energy (RE) Round-the-Clock (RTC) Power Projects. In these agreements, the committed power supply is on an RTC basis and actual installed power capacity have to be more



than the agreed power mentioned in the respective agreements to meet the required capacity.

### Our Offtaker Customers

As of September 30, 2024, we have 17 offtakers across 41 solar projects and 11 wind projects. We define offtakers as parties with whom we have megawatts operating, contracted or awarded (signed PPA or from whom we have received an LoA). As of September 30, 2024, our offtakers were government agencies and public utilities.

The tables below set out the break-up of our megawatts operating, contracted and awarded by type of offtaker, and as a percentage of total Megawatts Operating, Contracted and Awarded, for the periods indicated.

(in megawatts)

Particulars	Megawatts Operating, Contracted and Awarded		
	Company Operating Data	Carved-out Operating Data <sup>(1)</sup>	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Central Government agencies /entities (SECI/PTC)</b>	2,780	2,230	1,580
<b>State Government agencies/entities</b>			
Gujarat Urja Vikas Nigam Ltd	1,325	400	400
Offtaker	50	50	50
Offtaker	260	260	260
Telangana Discoms	1,926	1,926	1,926
Uttar Pradesh Power Corporation Limited	265	225	225
Offtaker	750	750	750
Offtaker	320	320	320
Offtaker	250	250	250
Offtaker	325	325	325
<b>PSU Customers</b>	6,220	2,100	100
<b>Other agencies / entities</b>	25	25	25
<b>Total Megawatts Operating, Contracted and Awarded</b>	<b>14,496</b>	<b>8,861</b>	<b>6,211</b>

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Offer Documents. Remaining names of our offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Offer Documents.

(1) Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(in megawatts)

Particulars	Megawatts Operating, Contracted and Awarded	
	Company Operating Data	
	As at September 30, 2024	As at September 30, 2023
<b>Central Government agencies /entities (SECI/PTC)</b>	<b>3,180</b>	<b>2,230</b>
<b>State Government agencies/entities</b>		
Gujarat Urja Vikas Nigam Ltd	1,325	600
Offtaker	50	50
Offtaker	260	260
Telangana Discoms	1,926	1,926
Uttar Pradesh Power Corporation Limited	265	225
Offtaker	750	750
Offtaker	320	320
Offtaker	250	250
Offtaker	325	325
<b>PSU Customers</b>	<b>8,220</b>	<b>4,350</b>
<b>Other agencies / entities</b>	<b>25</b>	<b>25</b>
<b>Total Megawatts Operating, Contracted and Awarded</b>	<b>16,896</b>	<b>11,311</b>

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Offer Documents. Remaining names of our offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Offer Documents.

(in percentages)

Particulars	Percentage of Megawatts Operating, Contracted and Awarded		
	Company Operating Data	Carved-out Operating Data <sup>(1)</sup>	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Central Government agencies /entities (SECI/PTC)</b>	19.18%	25.17%	25.44%
<b>State Government agencies/entities</b>			
Gujarat Urja Vikas Nigam Ltd.	9.14%	4.51%	6.44%
Offtaker	0.34%	0.56%	0.81%
Offtaker	1.79%	2.93%	4.19%
Telangana Discoms	13.29%	21.74%	31.01%
Offtaker	1.83%	2.54%	3.62%
Offtaker	5.17%	8.46%	12.08%
Offtaker	2.21%	3.61%	5.15%
Offtaker	1.72%	2.82%	4.03%
Offtaker	2.24%	3.67%	5.23%
<b>PSU Customers</b>	42.91%	23.70%	1.61%
<b>Other agencies / entities</b>	0.17%	0.28%	0.40%
<b>Total Megawatts Operating, Contracted and Awarded</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Offer Documents. Remaining names of our offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Offer Documents.

(1) Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(in percentages)

Particulars	Percentage of Megawatts Operating, Contracted and Awarded	
	Company Operating Data	
	As at September 30, 2024	As at September 30, 2023
<b>Central Government agencies /entities (SECI/PTC)</b>	18.82%	19.72%
<b>State Government agencies/entities</b>		
Gujarat Urja Vikas Nigam Ltd.	7.84%	5.30%
Offtaker	0.30%	0.44%
Offtaker	1.54%	2.30%
Telangana Discoms	11.40%	17.03%
Offtaker	1.57%	1.99%
Offtaker	4.44%	6.63%
Offtaker	1.89%	2.83%
Offtaker	1.48%	2.21%
Offtaker	1.92%	2.87%
<b>PSU Customers</b>	48.65%	38.46%
<b>Other agencies / entities</b>	0.15%	0.22%
<b>Total Megawatts Operating, Contracted and Awarded</b>	<b>100.00%</b>	<b>100.00%</b>

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Offer Documents. Remaining names of our offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Offer Documents.

### Concentration of offtakers

Our business is concentrated with our top nine offtakers. The table below sets forth the revenue from operations derived from our top five and top nine offtakers as well as our single largest offtaker for the periods indicated:

Period	Revenue from largest offtaker		Revenue from top 5 offtakers		Revenue from top 9 offtakers <sup>(3)</sup>	
	in ₹ millions	Percentage contribution of largest offtaker to revenue from operations	in ₹ millions	Percentage contribution of top 5 offtakers to revenue from operations	in ₹ millions	Percentage contribution of top 9 offtakers to revenue from operations
<b>Restated Consolidated Financial Information<sup>(1)</sup></b>						
Six months period ended September 30, 2024	5,094.56	47.07%	8978.64	82.96%	10601.61	97.96%
Fiscal 2024	9,755.34	49.71%	17,230.44	87.79%	19,160.79	97.63%
<b>Special Purpose Carved-Out Combined Financial Statements<sup>(2)</sup></b>						
Fiscal 2023	4,613.11	31.82%	12,430.33	85.74%	14,285.98	98.54%
Fiscal 2022	2,227.83	24.47%	8,192.74	89.99%	8,899.32	97.75%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

<sup>(3)</sup> We only had revenue from 9 offtaker customers as of September 30, 2024.

The table below sets forth the revenue derived from our top nine offtakers for the periods indicated:

Top 9 Offtakers* <sup>(3)</sup>	Restated Consolidated Financial Information <sup>(1)</sup>				Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations
Telangana Discoms	5,094.56	47.07%	9,755.34	49.71%	4,613.11	31.82%	184.73	2.03%
Uttar Pradesh Power Corporation Ltd.	876.67	8.10%	1,381.57	7.04%	1,468.63	10.13%	1,399.22	15.37%
Offtaker	1,083.31	10.01%	2,278.48	11.61%	2,331.97	16.09%	2,227.83	24.47%
Offtaker	1,040.52	9.61%	2,049.52	10.44%	2,123.73	14.65%	2,138.58	23.49%
Offtaker	829.58	7.67%	1,765.52	9.00%	1,892.90	13.06%	1,857.95	20.41%
SECI	883.58	8.16%	888.87	4.53%	870.26	6.00%	114.91	1.26%
Offtaker	269.45	2.49%	103.10	0.53%	-	0.00%	-	0.00%
Offtaker	257.71	2.38%	538.70	2.74%	578.82	3.99%	569.16	6.25%
Gujarat Urja Vikas Nigam Ltd.	266.23	2.46%	399.69	2.04%	406.57	2.80%	406.94	4.47%
Total	10,601.61	97.96%	19,160.79	97.63%	14,285.98	98.54%	8,899.32	97.75%

\* The disclosure of names has only been made for such offtakers who have provided consent to being named in the Offer Documents. Remaining names of our offtakers have not been included in this Red Herring Prospectus due to non-receipt of consent from such offtakers to be named in the Offer Documents.

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

<sup>(3)</sup> We only had revenue from 9 offtaker customers as of September 30, 2024.

### ***Power purchase agreements***

We sign long-term PPAs with central and state-run utilities, government-backed corporations and private commercial and industrial users. The long-term PPAs for our projects enhance the offtake security and long-term visibility of our revenues. As of September 30, 2024, our PPAs have an average term of 25 years. For a summary of our PPAs, see “-Our Projects – Operational Projects” and “-Our Projects – Contracted and Awarded Projects” on pages 216 and 217, respectively.

Our PPAs include, among other things, restrictions on contracted capacity and changes in management and ownership of our project subsidiary undertaking the relevant project (including changes in the specified minimum equity shareholding of the relevant holding company or selected bidder in such project subsidiary).

Events of default under our PPAs typically include failure or delay in commissioning, failure to supply power post the commercial operation date, failure to supply the minimum contracted power as defined in the relevant PPA, inability to meet our performance guarantees, assignment or transfer of assets or rights under the PPAs in contravention of the terms thereof, liquidation, our project subsidiary’s insolvency or similar events, and failure to operate and maintain our projects in accordance with the terms of the PPAs. Upon the occurrence of an event of default, we may face adverse consequences such as specific performance of the PPAs, termination of the PPAs, payment of liquidated damages, imposition of penalties, and exercise of step-in rights by our lenders or rights to replace the relevant holding company/selected bidder or our project subsidiary as operator of the project. Most of our PPAs also provide for relief to the party affected in the event of a change in law or a force majeure.

### ***Tariff***

Tariff rates for our PPAs for solar and wind projects are determined through bidding regime, feed-in tariffs mechanism, or are bilaterally agreed with third-party offtakers. The majority of our PPAs provide for fixed tariff rates. Under a few PPAs, the tariff is subject to escalation provisions.

### **Project Development**

We directly or indirectly through our Subsidiaries participate in central and state-level renewable energy auctions to build our Portfolio. Our significant experience with procurement, managing EPC contactors and our O&M experience provides us with an advantage to understand cost and other operational considerations to make competitive bids, while maintaining profitable economics for a project.

The typical development timeline for our solar and wind projects is approximately 12 to 18 months and 18 to 24 months, respectively. There are several key activities that occur sequentially or concurrently before and throughout a project development cycle. These include:

- Pre-bidding activities;
- Tenders and bidding;
- Review of data and resource assessment;
- Land procurement;
- Approvals;
- Financing;
- Transmission and interconnection;
- Procurement; and
- Construction and commissioning.

### ***Pre-Bidding Activities***

Our pre-bidding activities are the earliest activity in our development process and involve a broad, high-level review of potential land parcels for the power project development. Among other considerations, we constantly

evaluate the credit ratings of the state distribution utilities and central procurers, the ease of doing business in that location, relevant policies, land availability and costs, the level of solar radiation and/or wind resources (as the case may be) at the project location, payment cycles, and grid status.

### ***Tenders and Bidding***

The capacity allocation process conducted by government agencies typically involves two stages:

1. *Shortlisting Eligible Bidders*: In the first stage, eligible and prospective bidders are shortlisted based on their technical and financial capabilities. The bid documents, which include a draft of the Power Purchase Agreement (PPA) and other project information, are provided to each bidder upon payment of a processing fee. Additionally, bidders are usually required to deposit a bid security amount via a bank guarantee, payment on order instrument or insurance surety bond.
2. *Live Online Reverse Auction*: In the second stage, the shortlisted bidders participate in a live online reverse auction to submit their tariff bids. A bucket filing method is used for selection of bidders. The bidders within the range as specified in the RFS documents, usually L1 tariff +2%, are selected, subject to the condition that cumulative capacity shortlisted is equal to the capacity eligible for award as per the RFS.

The objective of the first stage is to identify credible bidders capable of undertaking the project. The information sought from bidders in this stage generally pertains to their technical and financial capacities relevant to the project. For bidding consortia, the financial eligibility criteria are typically met by the lead member or the parent company of the lead member, while the technical eligibility criteria are met by the consortium members. Only the applicants shortlisted in the first stage are invited to participate in the second stage of the bidding process. The number and nature of shortlisted bidders are based on initial bid tariffs and the quantity of bidders.

Bidders are typically required to conduct their own surveys, investigations, and detailed examinations of the project before submitting their bids. This includes assessing site conditions, evacuation feasibility, location, surroundings, climate, availability of power, water, and other utilities for construction, site access, handling and storage of materials, and weather data.

We have an organized process to effectively track policies and bid updates in the market. Upon identifying an opportunity, we analyze the relevant information in the request for proposal document. Our teams prepare market analysis reports and financial models, which include key financial assumptions, to evaluate the potential opportunity. This information is discussed internally with our finance and technical teams and is approved by our management committees and CEO before deciding to participate in a tender and submit our bids. We maintain a project development information database that helps us collate market data and propose competitive bids for projects.

Once a bid is won, a letter of intent is issued, and a PPA is signed. This agreement sets forth the commercial operation date before which the plant should be commissioned and outlines the terms for power off-take, including tariffs.

### ***Review of Data and Resource Assessment***

We perform wind and solar resource assessments at proposed project sites to estimate annual energy production using various tools and resources, both in-house and third-party. Initially, we evaluate potential sites by reviewing publicly available solar maps. Our in-house teams use wind and solar flow modeling tools to estimate potential wind speeds, irradiation levels, and other energy indicators. We use WindPro software for wind energy assessment and use tools like solar GIS, Meteonorm and PVSyst for solar evaluations.

Generally, solar resources are significantly more uniform and predictable than wind resources. The databases and software available for solar assessments are substantially comprehensive, providing a higher degree of accuracy compared to those for wind resources. We find these databases and software to be adequate for all our solar resource assessment needs.

### ***Land Procurement***

Our in-house team, working with third-party aggregators, developers, and EPC contractors, manages the land acquisition process for solar and wind projects. Once a project site is identified and assessments are complete, we begin the procurement process. Our projects are setup on both government and private land. In cases where land is allotted by the government, we work closely with government agencies to avoid delays.

We enter into conveyance deeds with landowners to secure the title needed to build on the site, including meteorological masts, roads, electric lines, substations, turbines, solar plants, and associated facilities. For government revenue land or forest land under Indian law, we enter into long-term leases. Ownership of project sites allows us to optimize wind energy projects to maximize power generation. We also obtain necessary approvals, such as conversion certificates, forest clearances, and environmental approvals. In some cases, like solar parks, the developer is solely responsible for land acquisition and approvals.

### ***Approvals***

After identifying and acquiring or leasing the land needed for our projects, we begin the approvals process with relevant local and state agencies. This process continues through various stages of project development and includes identifying required permits, holding preliminary meetings with state and central agencies, conducting project studies, responding to information requests, and seeking project approvals from state or central government bodies.

### ***Financing***

We secure financing for our projects during both the development and operational phases. Initially, we fund projects using our own capital resources.

We obtain borrowings for our projects from multiple sources, including commercial banks (both state-owned and private sector banks in India) and non-banking financial companies. Our borrowings include both project-specific financing arrangements collateralized by the underlying power plants and balance sheet financing.

### ***Transmission and Interconnection***

The availability of transmission infrastructure for interconnection to common grid is critical for a project's viability. We evaluate the power evacuation capacity available at nearby inter-state/intra state grid substations using our in-house expertise and publicly available documents. The project commissioning timelines are generally aligned with respect to the substation readiness for evacuation of power. The overall process involves submitting various applications to relevant statutory bodies and independent system operators for securing grid connection approvals, installation of transmission lines including arrangement of right of way etc. Power from our wind and solar energy projects are typically evacuated to the common grid through high voltage (66/110/132/220/400 kV) transmission lines from dedicated pooling stations at project end, ensuring stable energy transmission and minimizing grid instability and losses. We adhere to standard CEA (Central Electricity Authority) specifications and equipment ratings for transmission elements for asset optimization and ensuring long-term trouble-free operation.

### ***Equipment Procurement***

We have a rigorous quality assurance and vendor empanelment process, and our in-house procurement team selects suppliers. For further details, see “- *Suppliers*” on page 228.

### ***Construction and Commissioning***

For solar energy projects, construction includes design, engineering, procurement, structure, module and inverter installations, substation construction, interconnection work, and the balance of plant construction. In solar projects, we have diversified our strategy for setting up power plants from using turnkey EPC contract model to

a model where we take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We still use the turnkey EPC contract model based on specific project conditions.

For wind energy projects construction includes turbine installations and the balance of plant, which encompasses transmission lines and the substation. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the balance of plant. However, we have also started bifurcating the total project scope into balance of plant (including procurement of land) and supply and installation of wind turbine generators.

Construction (including land acquisition) typically takes approximately 18 to 24 months for wind energy projects and 12 to 18 months for solar energy projects. Our projects team supervises and oversees all aspects of construction. For solar energy projects, commissioning involves testing DC installation, inverters and power transformers and integrating them within the project and the transmission system. For wind energy projects, commissioning involves testing each turbine and integrating it within the project and the transmission system.

Once our wind or solar energy projects begin transmitting electricity to the relevant grid, we secure commissioning certificates from state and central government authorities as per procedure.

### **Operations and Maintenance**

As of September 30, 2024, we had 3,320 MWs operating across 17 solar projects and 2 wind projects. We focus on improving the operational efficiency of our plants. We regularly measure the performance of our plants by using the industry measure of estimates of generation/capacity utilization factor (CUF). We deploy cluster approach for O&M of plant: centralised monitoring group, cluster level monitoring at regional level and plant level monitoring and supervision. We analyse performance by capturing live data using PI server and inhouse developed dashboards. The maintenance activities are controlled through monitoring timely deployment of daily, monthly, quarterly and annual maintenance plans and guidelines and checklist implementation.

We focus on improving the operational efficiency of our plants. We also are employing O&M technology as set forth below.

- ***Robotic dry cleaning of photovoltaic arrays***  
Robotic dry-cleaning robots are mounted on rails of PV array and self-propelled and can move across the PV arrays. They are programmed to clean the surface of the panels using brushes, air blowers, or microfiber pads, effectively removing dust and dirt.
- ***Drone photovoltaic thermography***  
This technique involves the use of drones equipped with thermal imaging cameras to capture thermal images of PV modules during peak generating hours. By analysing these thermal images, we can detect anomalies such as hotspots, micro-cracks, shading, bypass diode faults, string outages and other degradations that can reduce the efficiency and lifespan of solar panels.
- ***SCB thermography***  
SCB (String Combiner Box) thermography is a diagnostic technique which uses thermal imaging cameras to detect abnormal temperature variations that can indicate potential issues such as loose connections, overloaded circuits, blown fuses, or faulty strings. Early detection of these issues through thermography helps prevent SCB failure, reduces downtime, and maintains optimal plant performance.
- ***Live dashboards for generation performance monitoring on PI server***  
Online dashboards are built on the PI (Plant Information) server platform, a data management and visualization system developed by OSIsoft. PI Server continuously collects data from the power plant's Local SCADA servers through internet which includes data from various sensors and devices, such as current, voltages, power and energy output, wind speeds, solar irradiance and other weather parameters, temperatures etc. Using these dashboards, we are able to detect performance issues and outages and

take timely actions necessary.

- ***Mechanized module washing, vegetation removal***

Specialized vehicles with water storage and pumping system with extendable arms equipped with water sprayers are used to clean solar PV arrays in large solar farms. The vehicles navigate between solar panel rows, allowing rapid and effective cleaning of vast areas. Clean solar panels capture more sunlight, significantly boosting energy generation. Regular mechanized washing can improve efficiency of solar panels, especially in dusty environments.

Mechanized mowers and trimmers are also used to cut grass and weeds around solar panels and other surrounding areas on a regular basis. These machines are designed to operate close to the PV modules without causing damage. By regularly trimming vegetation, solar panels receive unobstructed sunlight, maximizing energy output and reducing performance losses due to shading.

- ***CCTV Surveillance for plant security***

Solar power plants contain valuable assets such as solar panels, inverters, transformers, and cabling etc, which can be targeted for theft or vandalism. CCTV systems help deter such activities by providing real-time monitoring and recorded evidence of any unauthorized actions. CCTV cameras are strategically placed around the plant's perimeter and monitor entry and exit gates, detect intrusions, and provide early warning of potential security breaches.

- ***Module and string level I-V tracing***

Module and string level I-V (current-voltage) tracing is a diagnostic technique used in solar power plants to assess the performance and health of PV modules and strings. The I-V curve represents the relationship between the current (I) and voltage (V) of a solar PV module or string under specific operating conditions. By measuring and analysing these curves, we are able to gain insights into the performance characteristics of the solar panels and PV strings and identify degradation and defects like cracked cells, faulty junction boxes, module mismatches, wiring faults etc.

Module and String level I-V tracing helps identify problems at an early stage, allowing for timely repairs or replacements ensuring that the entire system operates efficiently.

We believe that by the use of these O&M technologies and by adopting industry-leading O&M practices, we will be able to maximize and maintain the efficiency and life cycles of our equipment.

### ***Solar Operations and Maintenance***

Our solar energy projects receive O&M services through third-party providers supported by our O&M team. The O&M services, includes activities such as:

- Continuous plant operation and preventive maintenance;
- Round-the-clock security;
- Maintenance of switchyards and transmission lines;
- Supply of spares and consumables;
- Plant monitoring and logging;
- Insurance and warranty claims;
- Module cleaning and vegetation control;
- Seasonal tilt adjustments for photovoltaic modules;
- Photovoltaic module thermography;
- IV testing and electroluminescence mass testing on a case-by-case basis;
- Plant availability warranty; and
- Forecasting and scheduling.

These third-party contracts/EPC usually have fixed annual charges. Performance targets are set and evaluated as



per contract terms and conditions. If these targets are not met, the service provider is liable to pay compensation as outlined in the contract. Contracts can be terminated by either party upon events such as bankruptcy, insolvency, failure to discharge obligations, unauthorized contract assignment, or material breach of terms.

The average life expectancy of a solar energy project is up to 25 years.

### ***Wind Operations and Maintenance***

O&M services for our wind energy projects are provided both in-house and through third-party providers.

For utility-scale wind energy projects, we enter into contracts with O&M contractors, typically spanning five to 10 years or with O&M contractors with expert support from EPC/ OEM.

Services include:

- Coordination with state electricity boards and government authorities;
- Management and maintenance of equipment and evacuation infrastructure; and
- Technical services, including reporting, testing, and inspection.

Contracts can be terminated by either party upon events such as bankruptcy, insolvency, failure to discharge obligations, unauthorized assignment by the O&M provider, or material breach of terms. Performance is subject to changes in applicable laws.

While turbine manufacturers provide on-site O&M of turbines and the balance of the plant, including pooling substations, we ensure regulatory compliance and maintain insurance.

The average life expectancy of wind energy projects is approximately 25 years.

### **Suppliers**

Operating equipment for solar energy projects primarily consists of solar panels, inverters, cables, solar mounting structures, trackers, transmission lines and power evacuation systems. Operating equipment for wind energy projects primarily consists of wind turbines and components for power evacuation systems. We purchase major components such as solar panels, inverters, wind turbines and some components of power evacuation systems directly from a number of domestic and international manufacturers. We have an established network of reputed vendors located in India and overseas.

We have a rigorous quality assurance and vendor empanelment process, with a limited number of approved suppliers. Our inhouse procurement team selects suppliers based on expected cost, reliability, commercial conditions, manufacturing capacity, track record, quality, warranty coverage, ease of installation and other ancillary costs, and we have key relationships with a number of solar and wind component suppliers in the market. Our in-house procurement team monitors our purchases throughout the supply chain.

The table below sets forth details on our largest supplier, our top ten suppliers and our top 20 suppliers for the periods indicated.

Suppliers	Type of Equipment, components and materials supplied	Restated Consolidated Financial Information <sup>(1)</sup>			
		Six months period ended September 30, 2024		Fiscal 2024	
		₹ million	% cost of supplies <sup>(2)</sup>	₹ million	% cost of supplies <sup>(2)</sup>
Largest Supplier	Solar modules including	15,372.18	36.00%	13,968.46	19.59%

Suppliers	Type of Equipment, components and materials supplied	Restated Consolidated Financial Information <sup>(1)</sup>			
		Six months period ended September 30, 2024		Fiscal 2024	
		₹ million	% cost of supplies <sup>(2)</sup>	₹ million	% cost of supplies <sup>(2)</sup>
	installation	(Sterling & Wilson Renewable Energy Limited)		(Tata Power Renewable Energy Limited)	
Top 10 Suppliers	Solar Modules, WTG, land procurement, balance of supply, including installation	39,554.79	92.65%	55,407.64	77.71%
To 20 Suppliers	Solar Modules, WTG, land procurement, balance of supply, including installation	40,866.36	95.72%	57,676.86	80.89%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Supplies also include installation, transportation and Operation & Maintenance services as per service agreements.

The table below sets forth cost of materials from our top ten suppliers as of the six months period ended September 30, 2024 for the periods indicated:

Suppliers	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024	
	₹ million	% cost of supplies <sup>(2)</sup>	₹ million	% cost of supplies <sup>(2)</sup>
Supplier 1	15,372.18	36.00%	13,968.46	19.59%
Supplier 2	10,131.16	23.73%	11,472.05	16.09%
Supplier 3	5,219.51	12.23%	8,282.03	11.62%
Supplier 4	3,010.80	7.05%	7,729.84	10.84%
Supplier 5	2,834.84	6.64%	4,866.47	6.83%
Supplier 6	811.42	1.90%	3,065.98	4.30%
Supplier 7	769.31	1.80%	2,177.11	3.05%
Supplier 8	575.76	1.35%	1,526.79	2.14%
Supplier 9	497.62	1.17%	1,244.89	1.75%
Supplier 10	332.20	0.78%	1,074.02	1.51%
<b>Total top 10 suppliers</b>	<b>39,554.79</b>	<b>92.65%</b>	<b>55,407.64</b>	<b>77.71%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Supplies also include installation, transportation and Operation & Maintenance services as per Service agreements.

We typically enter into procurement contracts or supply agreements with suppliers as per the outcome of the tendering process that define the general terms and conditions of our purchases, including warranties, product specifications, indemnities, delivery and other customary terms. The requirement can be clubbed for a particular location or as per requirement. We normally purchase solar panels, wind turbines and the remainder of our system components on an as-needed basis from suppliers at then prevailing prices pursuant to purchase orders issued under the bulk procurement contractual arrangements. Contracts with suppliers typically comprise a supply agreement and service agreement and each agreement includes a covenant on the part of the contractor to carry

out the works described in such agreement and to remedy defects in conformity with the terms, conditions and provisions of the relevant agreement. Our contracts with suppliers generally include a warranty to repair, replace or refund defective (i) solar panels, with such warranty being valid for minimum 25 years and up to 30 years, (ii) wind turbines, with defect liability on behalf of the manufacturer for 18 months from the date of completion of facilities or 12 months from the date of operation acceptance of facilities whichever occurs first and comprehensive O&M contracts for 10 years in this regard, and (iii) inverters, with such comprehensive AMC being valid for 10 years. Our contracts with suppliers of our solar panels typically also include a general warranty which is valid for up to 25 years and, for certain manufacturers, up to 30 years, which obliges the supplier to provide a replacement solar panel in the event that the power output for a solar panel falls below a specified limit. Our trackers typically have a comprehensive AMC for 10 years with warranty of 25 years for lifetime design and support structure components and five years for motors, gears, dampers, sensors and controllers.

Delays in the delivery of ordered materials, components and equipment for our solar, wind and other projects could delay the completion of our under-construction projects. For further information, see “*Risk Factors - Our business and profitability is substantially dependent on the availability and cost of solar modules, solar cells, wind turbine generators and other materials, components and equipment for our solar, wind and other projects. We are dependent on third party suppliers for meeting our materials, component and equipment requirements. Any disruption to the timely and adequate supply, or volatility in the prices of required materials, components and equipment may adversely impact our business, results of operations and financial condition*” on page 33.

### Imports

We import equipment including solar module cells and components of wind turbine generators from China. The table below sets forth our cost of materials, components and equipment purchased from suppliers in India and outside India for the periods indicated.

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Fiscal 2024	
	₹ million	% cost of supplies <sup>(3)</sup>	₹ million	% cost of supplies <sup>(3)</sup>
India <sup>(2)</sup>	39,144.90	93.25%	57,421.94	81.87%
Outside India				
...China	2,834.84	6.75%	12,716.94	18.13%
Total Outside India	2,834.84	6.75%	12,716.94	18.13%
Total	41,979.74	100%	70,138.88	100.00%

(1) Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

(2) EPC contracts may include imported materials, components and equipment but such supplies are included in India as the EPC contractor is responsible for such supplies and suppliers.

(3) Cost of Supplies also include installation, transportation etc. as per service agreements.

Any restriction on purchase of materials, components and equipment from outside India could have an adverse effect on our ability to deliver products to our customers. Further, if there are any trade restrictions, sanctions or higher tariffs placed by India on purchases made from other countries or similar restrictions are placed by the exporting country for supply of products to India, such trade restrictions, sanctions or higher tariffs may significantly impact our sourcing decisions and may lead to increased cost of purchase, and shortages of raw materials. For further information, see “*Risk Factors - Restrictions on solar equipment imports and wind turbine generator imports and other factors affecting the price or availability of solar equipment, may increase our business costs*” on page 62.

### Logistics

We do not own any vehicles for the transportation of procured equipment, components or materials. We, therefore, rely on EPC Contractors and suppliers for delivery of equipment, components or materials being in their scope of work or third party transportation and logistics providers for delivery of procured equipment, components or materials for our projects.

## **Health, Safety and Environment**

We are subject to national, regional and state laws and government regulations in India relating to safety, health and environmental protection. These laws and regulations impose controls on air and water discharge, noise levels, employee exposure to hazardous substances and other aspects of our operations. For further information, see “*Risk Factors - Our operations are subject to governmental, health, safety and environmental regulations, and we may have to incur material costs to comply with these regulations*” on page 75.

As of September 30, 2024, we were certified under the ISO 14001:2015 for environment management systems and ISO 9001:2015 for Quality Management at the organization level among other things, project management and design. In addition to being audited regularly by internal and third-party auditors, we engage with third parties to prepare environmental and social impact assessments for all of the projects that are under development.

### ***Health and employee safety***

We are committed to maintaining high standards of workplace health and safety, we aim to become a zero-accident organisation. Any mishaps or accidents at our facilities could lead to personal injury, property damage, production loss, adverse publicity and legal claims. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We have a safety management system which has been implemented across our projects. Further, we conduct comprehensive safety reviews and audits by safety consultants. As of September 30, 2024, we had a health, safety and environment team with the responsibility of round-the-clock monitoring of our operations.

### ***Environment***

As a pure play renewable energy company, we are working towards clean energy transition and contributing to India to meet its Net zero target.

Our environment and sustainability efforts include:

- We estimate that our renewable power generation helped to avoid the production of approximately 5.355 million tons of CO<sub>2e</sub> in Fiscal 2024.
- We are working to reduce our water consumption and recognize that the water required for cleaning our solar modules may result in adverse environmental impact. We are installing robotic dry-cleaning systems at all our project sites to eliminate the requirement for water.
- We have registered our renewable energy projects with different international carbon programs, such as Clean Development Mechanism (CDM), Verified Carbon Standard (VCS) and Global Carbon council (GCC).
- We have a dedicated Carbon Management Group with a specific vision to position us as a leading organization in carbon management to synergise all business activities with sustainable development, particularly to address issues related to climate change risks and opportunities arising from carbon mitigation initiatives. The management has been active in engaging with national and international climate change stakeholders to ensure that the organization have deeper insights of fast evolving domestic and international carbon markets.

## **Information Technology (IT)**

Renewable energy projects face the challenge of disparate locations spread over entire India. Digitalization of business processes is a fundamental strategy for our agile decision making. The key responsibility of our IT team includes providing secure, authenticated, authorised, and point to point data transmission and access to our business and enterprise applications through high bandwidth MPLS links.

We utilize an enterprise resource planning solution to assist us with various business functions including finance and controlling, material management, plant operations and maintenance, industry specific utility, and human resource functions.

All our engineering and business processes are digitized to ensure uninterrupted anytime and anywhere secure access from planning, concept to commissioning enterprise operations.

### ***Information security and disaster recovery***

Information security is one of the key focus areas. All our enterprise, business process, and production data are secured and in compliance to cyber secured guidelines from applicable statutory bodies. All the endpoints are secured through Gateway security equipment and updated in real time for latest signatures.

All our systems are disaster recovery ready with data centres located at Noida and Hyderabad. Our data centres are designed on Tier III principles and help us to ensure and provide seamless, uninterrupted, zero data loss business operations.

For information on the risk to our IT systems, see “*Risk Factors - Failure or disruption of our IT systems may adversely affect our business, results of operations and financial condition*” on page 81.

### **Insurance**

We maintain insurance coverage that we consider necessary for our business. We have a standard fire and allied perils insurance policy for all our operating stations and all risk erection insurance policy through the contractors for our projects. Insurance against theft, robbery, workmen compensation and general liability insurance are being taken by our O&M contractors in the operating stations. We have not taken insurance to protect against all risk and liabilities. For example, we do not have loss of business income policy

The Company was incorporated on April 7, 2022. Insurance coverage as at March 31, 2023 was obtained by NTPC Limited for its assets including us.

<b>Particulars</b>	<b>As at September 30, 2024</b>	<b>As at March 31, 2024</b>
Insured Assets (₹ million)	1,39,067.50	117,336.50
Insured Assets as % of fixed assets (gross block less land cost)	85.16%	79.43%
Insured Assets as % of total assets	72.79%	66.68%

For further information, see “*Risk Factors – We may not have sufficient insurance coverage to cover our economic losses as well as certain other risks, not covered in our insurance policies, which could adversely affect business, results of operations and financial condition*” on page 78.

We believe that our insurance coverage is in accordance with renewable power industry custom, including the terms of and the scope of the coverage provided by such insurance. However, our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

### **Human Resources:**

We place importance on developing our human resources. As of September 30, 2024, our workforce comprised 232 employees, and we utilised the services of 45 contract labourers. Combinations of full-time employees on secondment basis from NTPC Limited and contract personnel gives us flexibility to run our business and projects efficiently.

All our employees are on secondment from NTPC Limited. Pay allowances, perquisites and other benefits of the employees are governed by the terms and conditions as per the policy of NTPC Limited. As per the policy amount equivalent to a fixed percentage of basic and DA of the seconded employees is payable by us for employee

superannuation benefits such as provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits to NTPC Limited.

The table below sets forth the number of our employees as of September 30, 2024:

Departments / Teams	Number of employees at September 30, 2024 <sup>(1)</sup>
Management and administration	26
Construction and development	88
Operations and Maintenance	27
Procurement	21
Finance and accounts	17
Environmental, health and safety	2
IT	2
Others	49
<b>Total</b>	<b>232</b>

<sup>(1)</sup> Does not include 45 contract labourers as at September 30, 2024.

Our work force is a critical factor in maintaining quality, productivity and safety, which strengthens our competitive position. We are committed to provide safe and healthy working conditions. We currently do not have any registered trade unions with respect to our business.

The following table sets forth our attrition in the periods indicated.

Particulars	Six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023 <sup>(1)</sup>
Attrition Rate	4.74%	2.56%	5.33%

<sup>(1)</sup> Our Company was incorporated on April 7, 2022.

We offer formal and informal training as well as on-the-job learning.

### Competition

We believe that we do not face significant competition for our operational projects as most of the capacity under our projects is contracted to counterparties under long-term, fixed-tariff PPAs with limited termination rights and a minimum guaranteed volume. If we develop and/or acquire new projects in the future, in accordance with our strategy, we may compete in the development and acquisition of new projects, as well as in the sale of electricity. We may face competition to acquire new projects at the development stage through bids for long-term PPAs in central and state power auctions.

Our primary competitors may include domestic and foreign companies which may have different levels of financial, operational, marketing, personnel and other resources than us. We may compete with other developers based on a number of factors, including the sourcing of solar or wind energy projects, reputation and track record, relationship with government authorities, access to capital and control over quality, access to project land, efficiency and reliability in project development.

We may also compete with both traditional and renewable energy companies for the financing needed to develop and construct projects and for refinancing needs. In addition, we may compete with other traditional and renewable energy companies in India for a limited pool of personnel with requisite industry knowledge and experience.

Competitive conditions may be substantially affected by various forms of energy legislation and regulations. Such laws and regulations may substantially increase the costs of acquiring, constructing and operating projects. If we were to be in competition with others in the future, we believe that we will have advantages over our competitors with the NTPC Group's substantial infrastructure and energy sector experience. See, "Risk Factors - We face significant competition from both traditional and renewable energy companies and any failure to respond to

market changes in the renewable energy industry could adversely affect our business, financial conditions and results of operations” on page 44.

For further information, see “*Industry Overview*” on page 151.

### Intellectual Property Rights

The “NTPC” trademark, name and logo do not belong to us, which is registered in the name of our Corporate Promoter with the trademark registry. We do not have a formal agreement with, or pay, our Corporate Promoter for the use of the “NTPC” trademark, name or logo.

We have acquired and developed and continue to acquire and develop knowledge and expertise, or know-how, and trade secrets in our businesses, including know-how and trade secrets related to proprietary technologies and know-how and trade secrets. Our know-how and trade secrets in our businesses may not be patentable, however, they are valuable and include information that includes, without limitation, financial, business, scientific, technical, economic and engineering information, formulas, designs, methods, techniques, processes and procedures.

See “*Risk Factors – We do not own the “NTPC” trademark, name or logo, and our logo and name have not been registered as trademarks. Accordingly, our ability to use our name or logo may be impaired. We also rely on a combination of trade secret and contractual restrictions to protect our intellectual property. If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. As part of our operations, we might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.*” on page 73.

### Properties

Our registered office is located at NTPC Bhawan, Core -7, SCOPE Complex 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India. Our corporate office is located at NTPC Renewables Complex E-3, Ecotech-II, Udyog Vihar, Greater Noida Gautam Buddha Nagar, Uttar Pradesh, 201306 India. Our corporate office is on lease for a term of two years until March 31, 2025.

Our power projects are located primarily on land leased from state governments and third parties and freehold land purchased by us from private individuals and entities. As of September 30, 2024, we owned approximately 8,900 acres of freehold land and approximately 45,700 acres of leasehold land relating to our projects. Our leasehold land is typically leased for 12 to 40 years. We believe that our facilities are in good condition and generally suitable and adequate for our needs in the foreseeable future. However, we will continue to seek additional space as needed to satisfy our growth.

The following table sets forth the details of our real property associated with our projects as of September 30, 2024

Project Name	Project Location	Owned/ Leased (Expiration)
Rajgarh	Madhya Pradesh	Leased
Anantapur	Andhra Pradesh	Leased
Bhadla-I	Rajasthan	Leased
Mandsaur	Madhya Pradesh	Leased
Bilhaur	Uttar Pradesh	Leased
Jetsar	Rajasthan	Leased
Fatehgarh	Rajasthan	Leased
Shimbhoo Ka Bhurj-I	Rajasthan	Owned
Shimbhoo Ka Bhurj-II	Rajasthan	Owned
Devikot	Rajasthan	Owned/Leased
Ettayapuram	Tamil Nadu	Owned
Nokhra	Rajasthan	Owned/Leased
Ayodhya	Uttar Pradesh	Leased
Chhattargarh	Rajasthan	Owned

Project Name	Project Location	Owned/ Leased (Expiration)
Bhensada	Rajasthan	Owned/Leased
Shahapur	Madhya Pradesh	Leased
Radhanpur	Gujarat	Owned
Rojmal	Gujarat	Owned/Leased
Dayapar-I	Gujarat	Owned/Leased

### Corporate Social Responsibilities

As per provision of Section 135 of the Companies Act, 2013, we are required to spend at least 2% of the average profits of the preceding three fiscal years towards Corporate Social Responsibility (“CSR”). Accordingly, our Board of Directors has constituted a CSR Committee for carrying out the CSR activities.

The table below sets forth the amounts required to be spent on CSR and our actual CSR expenses for the Fiscal 2024.

Particulars	Fiscal 2024 <sup>(1)</sup>	
	₹ million	% of Average Net Profit
Amount required to be spent during the period	11.30	2%
Actual expenditure related to CSR spent during the year	11.30	2%

(1) Based on restated consolidated financial information for Fiscal 2024. See “*Restated Consolidated Financial Information*” on page 282.

### Seasonality of Business

The energy output performance of our solar projects is dependent in part on the amount of sunlight and the ambient temperatures. As a result, our revenue in the past has been impacted by rain and sunlight. Our solar energy output decreases in monsoon seasons due to less sunlight whereas it increases during winter and summer months.

The energy output performance of our wind projects is dependent on wind patterns and wind speeds. As a result, our revenue in the past has been impacted by wind speeds. Our wind energy output decreases during the “Low Wind Season”, which generally spans October to March, and increases during the “High Wind Season”, which generally spans April to September in any given year.

We believe that the higher levels of revenue generated during the winter and summer months and High Wind Season can help to mitigate the lower levels of revenue generated during the monsoon seasons and Low Wind Season. Typically, our revenue is the lowest from June to September and highest from January to March of any given fiscal year.

For further details, see “Risk Factors - *Our business is seasonal and our operating results may fluctuate from period to period, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.*” on page 54.



## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is an overview of certain laws and regulations in India, which are relevant to our Company, as of the date of this Red Herring Prospectus. The information in this section has been obtained from various legislations, including rules, regulations and policies promulgated by regulatory and statutory bodies, which are available in the public domain. The description of laws, regulations and policies set out below is not exhaustive and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Laws in relation to our business**

#### ***Electricity Act, 2003***

The Electricity Act, 2003 (“**Electricity Act**”) is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity. It governs the establishment, operation and maintenance of any electricity generating company and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per the provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, substations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and any other open access charges, as may be determined by the concerned electricity regulatory commission.

As per the Electricity Act, the transmission, distribution and trade of electricity are licensed activities that require licenses from Central Electricity Regulatory Commission (“**CERC**”), concerned State Electricity Regulatory Commissions (“**SERCs**”) or a joint commission (constituted by an agreement entered by two or more state governments or the central government in relation to one or more state governments, as the case may be). However, in accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a license under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act. Under Section 86 of the Electricity Act, the State Electricity Regulatory Commissions (“**SERCs**”) are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person from sources other than the incumbent distribution licensee under the provisions of open access. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which has been implemented in the form of renewable purchase obligations (“**RPOs**”).

Additionally, the Electricity Rules, 2005 (the “**Electricity Rules**”) also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the equity shares of such special purpose vehicle required to be held by the captive user(s) are to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole, and the electricity required to be consumed by the captive user(s) must not be less than 26% of the proportionate equity interest of the company related to the generating unit or units identified as the captive generating plant.

#### ***Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2024 (“Tariff Regulations”)***

The Tariff Regulations prescribe the criteria that may be taken into consideration by the CERC while determining the tariff for the sale of electricity generated from renewable energy sources. The CERC shall determine project-specific tariff for solar PV power projects, based on financial principles such as, inter alia, debt equity ratio, loan tenure and interest on loan, interest on working capital and any incentive, grant or subsidy from the Central or State Government.

***Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (“Electricity Rules 2022”)***

The Electricity Rules 2022 is applicable to the generation, purchase and consumption of green energy, i.e., electrical energy from renewable sources of energy. It provides in detail for RPOs for entities obligated under the Electricity Act, green energy open access, procedure for the grant of green energy open access, green certificate, charges to be levied on open access and cross-subsidy surcharge. It also provides for tariff for green energy which shall be determined by the appropriate commission. It shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges, if any, and service charges covering the prudent cost of distribution licensee for providing the green energy.

***Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023 (“Grid Code”)***

The CERC has recently notified the Grid Code which lays down the rules, guidelines and standards to be followed for stable, reliable and secure grid operation and to achieve maximum economy and efficiency of the power system. The Grid Code provides for the role of various statutory bodies, organisations and functional linkages among them and in addition, it contains extensive provisions pertaining to reliability and adequacy of resources; technical and design criteria for connectivity to the grid, protection setting and performance monitoring of the protection systems including protection audit; integration of renewables; ancillary services and reserves; and cyber security.

***Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020***

On May 4, 2020, the Central Electricity Regulatory Commission issued the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. The purpose of these regulations is to ensure that transmission charges are fully covered, thereby minimizing power losses during interstate transmission. These regulations apply to all designated ISTS customers, Inter-state transmission licensees, the national load dispatch centre, regional load dispatch centres, state load dispatch centres, and regional power committees.

***Central Electricity Regulatory Commission (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022***

The CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 have been introduced in alignment with the ‘One Nation, One Grid’ concept. These regulations ensure nondiscriminatory access to the central transmission network for all power producers. When seeking access, power producers need only specify the capacity and the time block during which this capacity will be transmitted.

***Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2022***

The Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2022 (“DSM Regulations, 2022”), which came into effect on 05th December 2022. The DSM Regulations, 2022 have been pivotal in maintaining grid discipline and security, in line with the objectives outlined in the grid code. These regulations establish a commercial mechanism for Deviation Settlement, detailing penalties for both over-injections and under-injections of electricity.

***Public Procurement (Preference to Make in India) Order for Renewable Energy Sector, 2018 (“Make in India Renewable Energy Order”)***

Pursuant to the Public Procurement (Preference to Make in India) Order, 2017 dated June 15, 2017 issued by the DIPP (the “Make in India Order”) to promote the manufacture and production of goods and services in India, the MNRE has issued the Make in India Renewable Energy Order on December 11, 2018, directing all departments / attached offices / subordinate offices of the MNRE or autonomous bodies controlled by the Central Government or government companies (as defined under the Companies Act, 2013) to adhere to the Make in India Order with respect to all of their procurements. For grid connected solar power projects, apart from civil construction, central ministries, departments, and central public sector undertakings, are required to give preference to domestically

manufactured components, with solar modules required to be 100% locally manufactured and other components such as inverters required to be at least 40% locally manufactured. With respect to off grid / decentralized solar power, the requirement of local content in solar streetlights, solar home lighting systems, solar power packs / micro grid, solar water pumps, inverters, batteries, and any other solar PV balance of system is at least 70%.

### ***National Electricity Policy and the National Electricity Plan***

The Central Government approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for accelerated development of the power sector, including renewable energy, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs may determine an appropriate pricing differential in tariffs in order to promote renewable energy technologies, until such time that non-conventional technologies can compete with conventional sources of energy. It further encourages SERCs to increase the share of electricity from non-conventional sources and make RPOs applicable for the tariffs determined by them. The Central Government has further notified the National Electricity Plan, Volume I on January 15, 2019 in accordance with the provisions of the Electricity Act and the National Electricity Policy. The draft National Electricity Plan Volume II (Transmission) 2022-27 is under finalization.

### ***National Tariff Policy, 2016***

In 2016, the Government issued the National Tariff Policy, 2016 (“**NTP 2016**”) which introduced several reforms and increased the focus on renewable energy, sourcing power through competitive bidding and the need for ‘reasonable rates’. The objective of NTP 2016, *inter-alia*, include: (i) ensuring financial viability of the power sector and attract investments; (ii) ensuring availability of electricity to consumers at reasonable and competitive rates; (iii) promoting generation of electricity from renewable power sources; and (iv) promoting hydroelectric power generation.

The NTP 2016 has removed the ambiguity on applicability of the renewable purchase obligations (“**RPO**”) on cogeneration as it has been clarified that cogeneration from sources other than renewable sources shall not be excluded from the applicability of the RPO obligation. NTP 2016 has also provided more clarity of the renewable generation obligation (“**RGO**”) provisions. NTP 2016 specifies that the renewable energy produced by each generator may be bundled with its thermal generation for the purpose of sale. In case an obligated entity procures this renewable power, then the SERCs will consider the obligated entity to have met the RPO to the extent of power bought from such renewable energy generating stations. Given the focus that NTP 2016 has on renewable power and competitive tariffs, the States have been mandated to make necessary endeavours to procure power from renewable energy through competitive bidding to keep the tariff low. Further, NTP 2016 states that 35% of the installed capacity can be procured by the state at SERC determined tariff. Further to give the much needed impetus to the renewable power sector, it has been suggested in the NTP 2016 that the inter-state transmission charges and losses for renewable power (solar / wind) be levied till certain date as may be notified by the Government of India. NTP 2016, *inter alia*, takes into account the following factors in determining the tariff: (i) Return on Investment; (ii) Equity norm of 70:30; (iii) Depreciation; (iv) Cost of debt; (v) Cost of management of foreign exchange risk i.e. the costs incurred on account of hedging and swapping to take care of foreign exchange variations; and (vi) Operating norms (to be evolved based on the incentives and disincentives along with appropriate arrangement for sharing the gains of efficient operations with the consumers). NTP 2016 also discusses the implementation of Multi-Year Tariff Framework, this framework is likely to minimise the risks for utilities and consumers, promoter efficiency and appropriate reduction of system losses and attract investments. The Tariff Policy also empowers the Central Government to notify a tariff framework, allowing for the tariff to be increased progressively in public interest.

### ***Integrated Energy Policy 2006***

The Integrated Energy Policy, 2006, (the “**Policy**”) is a report of an expert committee constituted by the Government of India, to explore alternative technologies and possible synergies that would increase energy system efficiency and meet the requirement for energy services. The aims and objectives of this Policy include, amongst others, providing appropriate fiscal policies to take care of externalities, tax measures, transparent and targeted subsidies, promoting energy efficiency, and providing incentives for renewable energy production. The Policy

also provides for the respective power regulators to mandate feed-in laws for renewable energy, as may be appropriate and as provided under the Electricity Act.

### *State solar policies*

Our Company's operations are also subject to the solar policies framed in the states in which the solar power projects are implemented, and we supply our products to such projects. Such policies typically provide a framework for the governance of the solar power industry and projects, procedures for undertaking of bids, terms of the renewable purchase obligations, connectivity to grid lines and the measures to be taken to promote the development of solar power in the state, including incentives to manufacturer such as grants of concessions on certain taxes, research and development initiatives.

### *Solar Park Scheme*

The Ministry of New and Renewable Energy ("MNRE") has drawn a scheme to set up number of solar parks across various states in the country, each with a capacity of Solar Projects generally above 500 MW. The Scheme proposes to provide financial support by Government of India to establish solar parks with an aim to facilitate creation of infrastructure necessary for setting up new solar power projects in terms of allocation of land, transmission and evacuation lines, access roads, availability of water and others, in a focused manner.

The Solar Park is a concentrated zone of development of solar power generation projects. As part of Solar Park development, land required for development of Solar Power Projects with cumulative capacity generally 500 MW and above will be identified and acquired and various infrastructure like transmission system, water, road connectivity and communication network etc. will be developed. The parks will be characterized by well-developed proper infrastructure where the risk & gestation period of the projects will be minimized. At the state level, the solar park will enable the states to bring in significant investment from project developers in the Solar Power sector, to meet its Solar Purchase Obligation ("SPO") mandates and provide employment opportunities to local population. The state will also be able to reduce its carbon footprint by avoiding emissions equivalent to the solar park's generated capacity.

### **Environmental laws**

#### ***Environment Protection Act, 1986 (the "EP Act") and the Environment Protection Rules, 1986 (the "EP Rules") read with the Environmental Impact Assessment Notification, 2006 ("EIA Notification")***

The EP Act has been enacted with the objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent, control and abate environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, prohibitions and restrictions on the location of industries as well as prohibitions and restrictions on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the spatial extent of potential impacts and potential impact on human health and natural and manmade resources.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")***

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, and the establishment of the Central Pollution Control Board, as well as state pollution control boards ("**State PCB**"), to implement its provisions, including to lay down standards of treatment of sewage and trade effluents. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to establishing any industry, operation or process, or opening of any new outlets,

which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the relevant state pollution control board declare, by notification in the Official Gazette, any area or areas within the state as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter, or operator of a disposal facility is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and shall be liable to pay any financial penalty that may be levied by the respective state pollution control board for violation of the Hazardous Waste Rules.

### **Labour laws**

#### ***Factories Act, 1948***

The Factories Act, 1948, as amended (the “Factories Act”), defines a “factory” to cover any premises which employs or had employed 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are or were employed on any day of the preceding 12 months, and where a manufacturing process is carried on without the aid of power. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

#### ***Contract Labour (Regulation and Abolition) Act, 1970***

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

#### ***Shops and establishments legislations***

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments’ acts, and the relevant rules framed thereunder, in each state, also prescribe penalties in the form of monetary fine

or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the Factories Act, the CLRA and the local shops and establishments legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- Employee's Compensation Act, 1923.
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Employees' State Insurance Act, 1948.
- The Equal Remuneration Act, 1976.
- Maternity Benefit Act, 1961.
- Minimum Wages Act, 1948.
- Payment of Bonus Act, 1965.
- Payment of Gratuity Act, 1972.
- Payment of Wages Act, 1936.
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.
- The Labour Welfare Fund Act, 1965.
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

(a) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

(b) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

(c) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

(d) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force Section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified

by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

**Other Indian laws**

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulations imposed by the central and state government and other authorities for over day to day business, operations and administration.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as “NTPC Green Energy Limited”, a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated April 7, 2022, issued by the Registrar of Companies, Delhi and Haryana. For details of our corporate history, please see “Issue Document Summary- Our Corporate History” on page 22.

### Changes in the Registered Office

As on the date of this Red Herring Prospectus, the registered office of our Company is situated at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India. There has been no change in the registered office of our Company since the date of our incorporation.

### Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *“To plan, promote and organize an integrated development of power generation through nonconventional/ renewable energy sources in all its aspects whether wind, hydro, solar, tidal, geothermal, biomass, steam, wave, waste, hybrid or any other form, kind or description in India and abroad.*
2. *To acquire renewable energy assets from NTPC and/ or from market and their subsequent monetization from time to time, subject to techno-economic feasibility, statutory compliances and requisite approvals.*
3. *To undertake planning, investigation, design, preparation of preliminary feasibility and detailed project reports, take up necessary development, construction, erection and procurement for establishment of conventional / non-conventional power stations such as solar PV, solar thermal, wind turbines, hydel power station, waste to energy power station, bio mass power stations, hybrid power station, all forms of energy storage systems, hydrogen generation station including its associated transportation and storage infrastructure, synthesis of green chemicals including ammonia, methanol and various derivatives, various combined heat & power systems, green mobility systems.*
4. *To operate and maintain including to renovate and modernize electric power stations and projects, transmission/ distribution/ sale of power generated at Stations, establishment of distribution systems and any matter connected with distribution and/or supply of electrical power generated at electric Power Stations and to undertake, wherever necessary construction of dedicated transmission lines and works ancillary thereto.*
5. *To carry on the business of purchase, sale, import, export, trade, manufacture or otherwise dealing in all aspects of electric Power, hydrogen generation synthesizing chemicals using hydrogen, waste management and for that purpose to set up, operate and manage all necessary plants, establishments and works and other allied industries.*
6. *To promote, organize or carry on the business of consultancy services either independently or through suitable tie-ups both in India and abroad in any field of activity in which the Company is engaged in or connected therewith as also in such other field of activities where the Company has developed expertise by virtue of its dealing in such areas and rendering consultancy and advisory services to clients and any such other services.*
7. *To act as agent of NTPC or other Public or Private Sector Enterprises, Financial Institutions, Banks, Central Government and State Governments engaged in the planning and development of power for preparation of preliminary feasibility reports, project reports and appraisal report regarding generation, purchase, sale, trading, transmission and distribution of electricity and for taking up any such activity on their behalf which the Company is empowered to undertake.*
8. *To co-ordinate the activities of its subsidiaries' business to determine their economic and financial objectives/targets and to review, control, guide and direct their performance with a view to secure optimum utilization of all resources placed at their disposal.”*



The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

#### Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company:

Date of Shareholders' resolution	Particulars
January 25, 2023	Clause V of the Memorandum of Association was altered to reflect the increase of authorised share capital of the Company from ₹ 1,000,000 divided into 100,000 Equity Shares of face value of ₹ 10 each to ₹ 100,000,000,000 divided into 10,000,000,000 Equity Shares of face value of ₹ 10 each

#### Major events and milestones of our Company

Calendar Year	Major Events and Milestones
2023	Our Company acquired 15 renewable assets with a combined capacity of 2,861 MW, as well as equity shareholding in NTPC Renewable Energy Limited, from our Corporate Promoter, NTPC Limited
2023	Our Company and Indian Oil Corporation Limited incorporated a joint venture company "Indianoil NTPC Green Energy Private Limited" (INGEL) for the purpose of developing grid connected and/or off-grid renewable energy-based power projects
2023	Our wholly owned Subsidiary, NTPC Renewable Energy Limited launched its first wind project, with a capacity of 50 MW, in Dayapar, Bhuj, Gujarat
2024	Our wholly owned Subsidiary, NTPC Renewable Energy Limited launched its first solar project in Chhattargarh, Rajasthan with a capacity of 150 MW
2024	Our Company commissioned a 40 MW solar photovoltaic project in Ayodhya
2024	Our operational capacity exceeded 3 GW on a consolidated level
2024	50 MW capacity of the total 220 MW Shajapur Solar Project, owned by our material subsidiary, NTPC Renewable Energy Limited, was declared commercially operational

#### Awards, accreditations and recognitions received by our Company

Calendar year	Awards
2023	<ul style="list-style-type: none"> <li>Awarded the Green Ribbon Champions award by Network 18 media house for our commitment to sustainability</li> </ul>

#### Time and cost over-runs

While we have incurred time and cost overruns in the setting up of certain of our projects, there have been no material time/cost overruns in relation to implementation of our projects since incorporation of our Company.

#### Defaults or re-scheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by us from any bank or financial institution. For further information of our financing arrangements, please see "*Financial Indebtedness*" on page 516.

#### Capacity/facility creation, locations of plants

For details of our project creation, capacity and location of our plants/projects, see "*Our Business – Properties*" on page 234.

#### Lock-out and strikes

As on the date of this Red Herring Prospectus, there have been no lock-outs or strikes at any time since incorporation of our Company.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” on page 195.

### **Significant financial and strategic partners**

As on the date of this Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

### **Material clauses of the Articles of Association**

All material clauses of our Articles of Association having a bearing on the Issue have been disclosed in this Red Herring Prospectus. For details, please see “*Description of Equity Shares and Terms of Articles of Association*”.

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since incorporation of our Company**

Except as stated below, our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any material merger, amalgamation or any revaluation of assets since its incorporation.

#### ***Business transfer agreement dated July 8, 2022 entered into between our Company and our Corporate Promoter, NTPC Limited (the “BTA”)***

Our Company entered into a business transfer agreement dated July 8, 2022, with our Corporate Promoter, NTPC Limited (“NTPC”), pursuant to which NTPC, in accordance with a scheme dated March 8, 2022, approved by the Ministry of Power for the asset monetization of its renewable energy (RE) portfolio (“**Asset Monetization Scheme**”), transferred the right, title and interest in 15 renewable asset projects to our Company, on a going concern basis (“**Purchased RE Assets**”) free and clear of all encumbrances other than the permitted encumbrances (as defined in the BTA).

The Purchased RE Assets under the BTA included *inter-alia* all contracts/documents, plant and equipment and permits held by NTPC in relation to such assets, except for certain assets and liabilities, which were specifically excluded per the terms of the BTA such as the free hold land pertaining to Bilhaur Solar Project, employee related balances and tax related balances.

The Purchased RE Assets were transferred as at the closing date of transfer, i.e. 28 February 2023, at an aggregate consideration of ₹ 120,105.50 million. The purchase price was determined basis the special purpose interim condensed carve-out statement of assets and liabilities of the Purchased RE Assets, prepared as of February 28, 2023, which was subject to limited review by Varma & Varma, Chartered Accountants, one of the joint statutory Auditors of NTPC for Fiscal 2023.

#### ***Share purchase agreement dated July 8, 2022 entered into between our Company and our Corporate Promoter, NTPC Limited (SPA)***

Pursuant to the SPA, NTPC, along with its nominee shareholders (collectively referred to as the “**Sellers**”), transferred 100% of its equity shareholding in NTPC Renewable Energy Limited, comprising 1,094,464,035 Equity Shares of ₹10 each held by the Sellers (collectively referred to as the “**Sale Shares**”), to our Company and its nominee shareholders (collectively referred to as the “**Buyers**”) under the Asset Monetization Scheme. The total consideration for the transfer of the Sale Shares was ₹ 10,944.64 million which was settled in cash.

This transfer was made with the aim of consolidating NTPC's renewable energy business within our company and thereby facilitating the efficient and effective monetization of its renewable energy assets.

The board of NTPC had previously approved an equity infusion of ₹50,000 million in NTPC Renewable Energy Limited. Pursuant to the transfer of the Sale Shares, duly completed on February 28, 2023, our Company has undertaken to fulfil the pending equity commitment of NTPC.

***Share purchase agreement dated November 21, 2023 entered into between our Company and our Subsidiary, NTPC Renewable Energy Limited (NREL), Green Valley Renewable Energy Limited and Damodar Valley Corporation (SPA)***

NREL and Damodar Valley Corporation (DVC) executed a joint venture agreement dated March 29, 2022 (“JVA”) to incorporate Green Valley Renewable Energy Limited, as a subsidiary of NREL in a joint venture with DVC, with equity shareholding held in the ratio of 51:49 by NREL and DVC, respectively. Pursuant to the SPA and the permissible terms and conditions prescribed in the JVA, NREL, transferred its entire equity shareholding in GVREL, which comprised of 51,000 equity shares of ₹10 each to our Company, for an aggregate consideration of ₹ 0.51 million, entirely payable through cash.

***Joint venture agreement dated March 20, 2023 executed between our Company and Indian Oil Corporation Limited (“INGEL JV Agreement”)***

Our Company and Indian Oil Corporation Limited (IndianOil), pursuant to the INGEL JV Agreement, incorporated a company “IndianOil NTPC Green Energy Private Limited” (INGEL) for the purpose of developing grid connected and/or off-grid renewable energy-based power projects. Per the terms of the INGEL JV Agreement, our Company and IndianOil hold 50% of the issued, subscribed and paid-up equity capital of INGEL and each of the shareholders of our Company and IndianOil have the right to nominate one-half of the board of INGEL.

The INGEL JV Agreement contains certain other provisions in relation to the functioning of INGEL, including, among other things, its nature of business, conduct of board and shareholders’ meetings and appointment of key managerial personnel. Our Company and IndianOil have agreed to not sell, transfer, assign or create any encumbrances over the equity shares held by them for a period of five years from the date of incorporation of INGEL, except in certain circumstances permitted under the INGEL JV Agreement. Our Company and IndianOil also have certain other rights with respect to their shareholding in INGEL such as the right of first offer, right of first refusal, put and call options.

Further, INGEL is governed by a non-compete clause specified in the INGEL JV Agreement, which prevents it from competing with our Company and IndianOil in their respective business areas without prior consent. Accordingly, our Company and IndianOil have also agreed to a non-solicitation obligation wherein they have agreed to not recruit or hire employees from any other party to the agreement, as per the terms prescribed in the INGEL JV Agreement.

#### **Details of shareholders’ agreements and other key agreements**

Our Company has not entered into a shareholders’ agreement or any other subsisting material agreement, other than in the ordinary course of business.

There are no other inter-agreements/ arrangements and clauses / covenants, to which our Company or our Promoters or Shareholders are a party, which are material and which need to be disclosed in this Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision in connection with the Issue. There are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority/public shareholders of our Company. Further, there are no other agreements, deed of assignments, shareholder agreements, inter-se agreements or agreements of like nature.

#### **Key terms of other subsisting material agreements**

Except as disclosed “Our Business” on page 195, our Company has not entered into any subsisting material agreements with strategic partners, joint venture partners and/or financial partners other than in the ordinary course of business of our Company.

### ***Agreements with Key Managerial Personnel, Senior Managerial Personnel, Directors, Promoter or any other employee***

As on the date of this Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or a Senior Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third-party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Special Rights held by our Promoters**

#### *a) NTPC Limited*

In accordance with our Articles of Association, our Corporate Promoter, NTPC Limited, has certain key rights, including amongst others:

- i. Right to appoint the Chairman, Functional Directors and other Directors on our Board and determine their period of appointment;
- ii. Right to appoint the Chief Executive Officer;
- iii. Discretion to remove any Director from office at any time; and
- iv. Affirmative rights related to reserved matters, requiring the specific prior approval of our Corporate Promoter, including but not limited to: amendments to the charter documents, matters related to the promotion, acquisition, or formation of companies, entering into partnerships, arrangements for sharing profits, and dividing capital into different classes of shares

The special rights granted to our Corporate Promoter have been included under Part B of the Articles of Association. As on the date of this Red Herring Prospectus, in case of any inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall prevail and be applicable until Listing.

Pursuant to the special resolution passed by our Shareholders on September 10, 2024 adopting the revised Articles of Association, Part B will automatically be terminated and cease to have any force and effect from the date of receipt of final listing and trading approvals from the Stock Exchanges for the listing and trading of the Equity Shares pursuant to the Issue.

#### *b) President of India, acting through the Ministry of Power, Government of India*

Since our Company is central public sector enterprise (“CPSE”) company, the Articles of Association of our Company, in line with the Companies Act, 2013, along with the rules and notifications made thereunder, each as amended, the DPE Guidelines, and other rules, regulations, directives, recommendations, guidelines, and circulars, applicable to a CPSE, provides the following rights in connection with nomination/ removal/ appointment/ of directors and certain other rights to the President of India, acting through the Ministry of Power, Government of Power, which would survive post listing of the Equity Shares of the Company:

- i. Appointment of Chairman, Functional Directors, Directors;
- ii. Appointment of Additional Director(s) on the Board of the Company;
- iii. Discretion to remove any Director from office at any time;
- iv. Filling of vacancies of Directors;
- v. Issuance of directives or instructions in regard to the conduct of business and affairs of the Company.

The rights available to the President of India, acting through the Ministry of Power, Government of India have been included under Part A of the Articles of Association. For further details, see “*Description of Equity Shares and Terms of the Articles of Association*” on page 598.

### **Details of guarantees given to third parties by promoters offering Equity Shares in the Issue**

Our Corporate Promoter is not selling any Equity Shares in the Issue.

## Holding Company

NTPC Limited, our Corporate Promoter, is our holding company. For further details, please see “*Our Promoters and Promoter Group*” on page 274.

## Subsidiaries

As on the date of this Red Herring Prospectus, our Company has two direct subsidiaries.

The details of our Subsidiaries are set forth below:

### 1. NTPC Renewable Energy Limited (“NREL”)

#### Corporate Information

NREL, a public limited company, was incorporated on October 7, 2020, under the Companies Act, 2013. It was subsequently acquired by our Company on February 28, 2023 pursuant to the share purchase agreement dated July 8, 2022. The CIN of NREL is U40107DL2020GOI371032 and its registered office is situated at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India.

#### Nature of Business

NREL is engaged in the business of planning, promoting and organizing an integrated development of power generation through non-conventional/renewable energy sources. Its major source of revenue is renewable energy projects. For details of the projects housed in NREL, please see- “*Our Business*” on page 195.

We intend to utilise a portion of our Net Proceeds aggregating to ₹ 75,000.00 million by way of an investment in NREL, for full or partial repayment and/ or prepayment, in full or part, of certain borrowings availed by NREL from banks and financial institutions. NREL has entered into various borrowing arrangements, including borrowings in the form of terms loans and various fund based and non-fund based working capital facilities. For details of the purpose of the borrowings availed by NREL, please see- “*Objects of the Issue- Details of the Objects of the Net Proceeds- Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/ prepayment, in full or in part of certain outstanding borrowings availed by NREL*” and “*Financial Indebtedness*” on pages 125 and 516 respectively.

#### Capital Structure

The capital structure of NREL is as follows:

Particulars	Number of equity shares of ₹ 10 each	Amount (in ₹)
Authorised share capital	4,000,000,000	40,000,000,000
Issued, subscribed and paid-up share capital	3,344,464,035	33,444,640,350

#### Shareholding Pattern

The shareholding pattern of NREL is as follows:

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	NTPC Green Energy Limited (NGEL)	3,344,463,975	100.00
2.	Shanmugha Sundaram Kothandapani (Nominee Shareholder of NGEL)	10	Negligible
3.	M. A. Ansari (Nominee Shareholder of NGEL)	10	Negligible
4.	Renu Narang (Nominee Shareholder of NGEL)	10	Negligible
5.	Ritu Arora (Nominee Shareholder of NGEL)	10	Negligible
6.	Sangeeta Kaushik (Nominee Shareholder of NGEL)	10	Negligible

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
7.	Arun Kumar (Nominee Shareholder of NGEL)	10	Negligible
<b>Total</b>		<b>3,344,464,035</b>	<b>100.00</b>

#### Select financial information

The financial information derived from the standalone financial information of NREL for the Financial Years ended 2024, 2023 and 2022 is set out below

(₹ in million, except per share data)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity share capital	14,444.64	10,944.64	7,311.74
Net worth	14,145.34	10,897.01	7,277.76
Revenue from operations	114.69	-	-
Profit/(loss) after tax	(251.57)	(13.56)	1.13
Earnings per share-Basic	(0.23)	(0.01)	0.00
Earnings per share-Diluted	(0.23)	(0.01)	0.00
Net asset value per equity share	9.79	9.96	9.95
Total borrowings	46,335.85	3,628.41	400.00

## 2. Green Valley Renewable Energy Limited (“GVREL”)

#### Corporate Information

GVREL, a public limited company, was incorporated on August 25, 2022, under the Companies Act, 2013. The CIN of GVREL is U40100DL2022GOI403638 and its registered office is situated at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India.

#### Nature of Business

GVREL is engaged in the business of in the business of planning, promoting and organizing an integrated development of power generation through non-conventional/renewable energy sources.

#### Capital Structure

The capital structure of GVREL is as follows:

Particulars	Number of equity shares of ₹ 10 each	Amount ( in ₹)
Authorised share capital	2,000,000,000	20,000,000,000
Issued, subscribed and paid-up share capital	190,100,000	1,901,000,000

#### Shareholding Pattern

The shareholding pattern of GVREL is as follows:

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	NTPC Green Energy Limited	96,950,970	51.00
2.	Shri Masood Akhtar Ansari (As Nominee of NTPC Green Energy Limited)	10	Negligible
3.	Shri Rajiv Gupta (As Nominee of NTPC Green Energy Limited)	10	Negligible
4.	Shri Neeraj Sharma (As Nominee of NTPC Green Energy Limited)	10	Negligible
5.	Damodar Valley Corporation	93,148,980	49.00

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
6.	Dinesh Kumar Singh (As Nominee of Damodar Valley Corporation)	10	Negligible
7.	Sudhir Kumar Jha (As Nominee of Damodar Valley Corporation)	10	Negligible
<b>Total</b>		<b>190,100,000</b>	<b>100.00</b>

#### Select financial information

The financial information derived from the standalone financial information of GVREL for the Financial Years ended 2024, 2023 and 2022 is set out below

(₹ in million, except per share data)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity share capital	1.00	1.00	NA
Net worth	1.41	1.19	NA
Revenue from operations	-	-	NA
Profit/(loss) after tax	0.22	0.19	NA
Earnings per share-Basic	2.16	2.61	NA
Earnings per share-Diluted	2.16	2.61	NA
Net asset value per equity share	14.10	11.93	NA
Total borrowings	-	-	NA

#### Associate Companies

As on the date of this Red Herring Prospectus, our Company does not have any associate company.

#### Joint Ventures

As on the date of this Red Herring Prospectus, our Company has the following joint venture\*.

#### IndianOil NTPC Green Energy Private Limited (“INGEL”)

##### Corporate Information

INGEL, a private limited company, was incorporated on June 2, 2023, under the Companies Act, 2013. The CIN of INGEL is U42201DL2023PTC415225 and its registered office is situated at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India.

##### Nature of Business

INGEL is engaged in the business of developing grid connected and/or off-grid renewable energy-based power projects

##### Capital Structure

The capital structure of INGEL is as follows:

Particulars	Number of equity shares of ₹ 10 each	Amount (in ₹)
Authorised share capital	5,000,000,000	50,000,000,000
Issued, subscribed and paid-up share capital	36,100,000	361,000,000

##### Shareholding Pattern

The shareholding pattern of INGEL is as follows:

S. No.	Name of the equity shareholder	Number of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	NTPC Green Energy Limited	18,050,000	50.00
2.	Indian Oil Corporation Limited	18,050,000	50.00
<b>Total</b>		<b>36,100,000</b>	<b>100.00</b>

*\*Our Company is also in the process of incorporating a joint venture with Oil and Natural Gas Corporation Limited, pursuant to the joint venture agreement dated February 7, 2024*

### **Accumulated profits or losses**

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries and our Joint Venture that have not been accounted for by our Company.

### **Interest in our Company**

Except as provided in “*Our Business*” and “*Related Party Transactions*”, beginning on pages 195 and 281, respectively, none of our Subsidiaries and Joint Venture have any business interest in our Company.

### **Common pursuits**

Our Subsidiaries and our Joint Venture are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries, Joint Venture and our Company. However, there is no conflict of interest amongst our Subsidiaries, Joint Venture and our Company. If required, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

### **Other confirmations**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of the Company) and our Company, Promoters, members of the Promoter Group, Subsidiaries, Group Companies and their directors.

Further, while there is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of the Company) and our Company, Promoters, members of the Promoter Group, Subsidiaries, Group Companies and their directors, we rely on our Corporate Promoter, NTPC Limited for the land parcels owned by them and leased to our Company. For further information, see, “*Risk Factors- We do not own all the land on which we operate and our leases are subject to conditions and may not be renewed*”, “*Risk Factors- We do not own our Registered and Corporate Office. A failure to renew our existing lease arrangements at commercially favourable terms or at all may have a material adverse effect on our business, financial condition and results of operations.*” and “*Our Promoters and Promoter Group-Interest of our Promoters*” on pages 76 and 51 respectively.

None of our Subsidiaries or our Joint Venture are listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad. There are no other material covenant in any of the agreements (specifically related to primary and secondary transactions of securities and financial arrangements), other than the ones already disclosed in this Red Herring Prospectus.



## OUR MANAGEMENT

### Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 12 directors. As on the date of this Red Herring Prospectus, our Board comprises of 6 Directors including 3 Executive Directors.

In accordance with the MCA notification, dated June 5, 2015, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, matters pertaining to the appointment, and remuneration of our Directors and performance evaluation of our Directors are determined by the President of India, acting through the Ministry of Power, Government of India. Accordingly, in so far as the abovementioned matter in relation to the appointment of directors is concerned, the composition of the board of directors of our Company is precluded from being consistent basis the SEBI Listing Regulations as on the date of this Red Herring Prospectus.

Accordingly, in relation to the composition of the Board, our Company had filed an exemption letter with the SEBI dated September 18, 2024, under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations seeking exemptions from the perspective of the board composition per the relevant provisions of the SEBI Listing Regulations. SEBI, *vide* its letter bearing reference number SEBI/CFD/RAC-DIL1/2024/32978 dated October 21, 2024, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see “*Issue Document Summary– Exemption from complying with any provisions of securities laws, if any, granted by SEBI*” on page 30.

The following table sets forth details regarding our Board as on the date of this Red Herring Prospectus:

S. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
1.	<p><b>Gurdeep Singh*</b></p> <p><b>Date of Birth:</b> July 07, 1965</p> <p><b>Designation:</b> Chairman and Managing Director</p> <p><b>Address:</b> A-5, Niti Bagh, Delhi-110049, Delhi, India</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Till the date of superannuation from services, i.e. July 31, 2025 or till further orders by the Ministry of Power, whichever is earlier.</p> <p><b>Period of directorship:</b> Since September 9, 2024</p> <p><b>DIN:</b> 00307037</p>	59	<p><b>Indian Companies</b></p> <ol style="list-style-type: none"> <li>1. NTPC Limited; and</li> <li>2. North Eastern Electric Power Corporation Limited</li> </ol> <p><b>Foreign Companies</b></p> <p>NIL</p>
2.	<p><b>Jaikumar Srinivasan*</b></p> <p><b>Date of Birth:</b> December 29, 1966</p> <p><b>Designation:</b> Director (Finance)</p>	57	<p><b>Indian Companies</b></p> <ol style="list-style-type: none"> <li>1. NTPC Limited;</li> <li>2. Green Valley Renewable Energy Limited</li> </ol>

S. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	<p><b>Address:</b> 151/153 Madan Lal Block, Khel Gaon, Asian Game Village, Gautam Nagar, South Delhi – 110 049, Delhi, India</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Till the date of superannuation i.e. December 31, 2026 or till further orders from Ministry of Power whichever is earlier and liable to retire by rotation.</p> <p><b>Period of directorship:</b> Since August 9, 2022 and redesignated as Whole time Director since September 9, 2024</p> <p><b>DIN:</b> 01220828</p>		<p>3. Ratnagiri Gas and Power Private Limited; and</p> <p>4. Indian Oil NTPC Green Energy Private Limited</p> <p><b>Foreign Companies</b></p> <p>NIL</p>
3.	<p><b>Shanmugha Sundaram Kothandapani*</b></p> <p><b>Date of birth:</b> May 21, 1967</p> <p><b>Designation:</b> Director (Projects)</p> <p><b>Address:</b> Flat No. 10-2-241/1/C, Laxmi Towers, Road No-06, Secunderabad, Maredpalle, Nehrunagar, Hyderabad – 500026, Telangana, India</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Till the date of superannuation from services, i.e. May 31, 2027 or till further orders by the Ministry of Power, whichever is earlier, and liable to retire by rotation.</p> <p><b>Period of directorship:</b> Since January 11, 2024 and redesignated as Director (Projects) since September 9, 2024.</p> <p><b>DIN:</b> 10347322</p>	57	<p><b>Indian Companies</b></p> <p>1. NTPC Limited;</p> <p>2. NTPC Renewable Energy Limited;</p> <p>3. Patratu Vidyut Utpadan Nigam Limited;</p> <p>4. Meja Urja Nigam Private Limited;</p> <p>5. North Eastern Electric Power Corporation Limited;</p> <p>6. THDC India Limited; and</p> <p>7. Energy Efficiency Services Limited</p> <p><b>Foreign Companies</b></p> <p>NIL</p>
4.	<p><b>Dr. Viveka Nand Paswan</b></p> <p><b>Date of birth:</b> October 7, 1973</p> <p><b>Designation:</b> Additional Director (Independent)#</p> <p><b>Address:</b> Madhuban, PO Madanpur, Basatpur, Darbhanga, Bihar – 847101, India</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Until the next AGM of the Company or such period as may be decided by the Ministry of Power</p> <p><b>Period of directorship:</b> Since November 5, 2024</p>	51	<p><b>Indian companies</b></p> <p>1. NTPC Renewable Energy Limited</p> <p><b>Foreign companies</b></p> <p>Nil</p>

S. No.	Name, date of birth, designation, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	DIN: 09397615		
5.	<p><b>Bimal Chand Oswal</b></p> <p><b>Date of birth:</b> October 9, 1960</p> <p><b>Designation:</b> Additional Director (Independent)<sup>#</sup></p> <p><b>Address:</b> Dhubri Medical Hall, Netaji Subhas Road, Dhubri, Assam – 783301, India</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Until the next AGM of the Company or such period as may be decided by the Ministry of Power</p> <p><b>Period of directorship:</b> Since November 5, 2024</p> <p><b>DIN:</b> 03286483</p>	64	<p><b>Indian companies</b></p> <p>1. North East India Ayush Consortium Limited</p> <p><b>Foreign companies</b></p> <p>Nil</p>
6.	<p><b>Sajal Jha</b></p> <p><b>Date of birth:</b> September 5, 1974</p> <p><b>Designation:</b> Additional Director (Independent)<sup>#</sup></p> <p><b>Address:</b> B V Couleaje, Sheakpura Bagheacha Rukanpura, Patna, Bihar - 800014</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Until the next AGM of the Company or such period as may be decided by the Ministry of Power</p> <p><b>Period of directorship:</b> Since November 4, 2024</p> <p><b>DIN:</b> 09402663</p>	50	<p><b>Indian companies</b></p> <p>Nil</p> <p><b>Foreign companies</b></p> <p>Nil</p>

\* Entitled to receive remuneration from one of our Promoters, namely, NTPC Limited.

<sup>#</sup>Appointed pursuant to office order dated November 4, 2024, issued by the Ministry of Power, Government of India and to hold office until the next annual general meeting of our Company or such period as may be decided by the Ministry of Power, Government of India.

### Brief biographies of Directors

**Gurdeep Singh** is the Chairman and Managing Director of our Company. He has also been the Chairman and Managing Director of NTPC Limited since 2016. He holds a bachelor's degree in science (mechanical engineering) from Kurukshetra University and has completed management education programme from Indian Institute of Management, Ahmedabad. He has experience of more than 18 years as Director in different companies associated with power sector. He is also Chairman and Managing Director of North-Eastern Electric Power Corporation Limited, a wholly owned subsidiary of NTPC Limited. Prior to joining NTPC Limited, he was Managing Director of Gujarat State Electricity Corporation Limited. He is responsible for the efficient functioning of the corporation for achieving its corporate objectives and performance parameters. As a Chairman and Managing Director, he is responsible for overall performance and provide strategic leadership for achieving sustenance and growth in terms business strategy for realizing vision of the Company.

**Jaikumar Srinivasan**, is the Director (Finance) of our Company. He is also Director (Finance) of NTPC Limited. He is an associate member of the Institute of Cost and Work Accountants of India and holds a bachelor's degree in commerce from the Nagpur University. He has served as a Director (Finance) at NLC India Limited, Director (Finance) at Maharashtra State Electricity Distribution Company Limited and Director (Finance) at Maharashtra State Power Generation Company Limited and has experience of more than 17 years as Director in different companies associated with power sector. As a Director (Finance), he is responsible for developing and implementing sound financial policies, control and practices in the organization commensurate with the corporate objectives and goals.

**Shanmugha Sundaram Kothandapani** is the Director (Projects) of our Company. He is also Director (Projects) of NTPC Limited. He holds a bachelor's degree in engineering (electronics and communication) from Faculty of Engineering, Bharathiar University and post graduate diploma in business management from Management development Institute, Gurgaon, India. He is associated with NTPC Limited since August 31, 1988 and has more than 36 years of diverse and versatile experience in project as well as commissioning stages of operating and maintaining vast fleet of power stations. As a Director (Projects), he is responsible for ensuring timely construction, erection, commissioning and completion of all projects as per the desired quality and cost framework through effective project management system.

**Dr. Viveka Nand Paswan** is the Additional Director (Independent) of our Company. He holds a bachelor's degree in arts (history) from Lalit Narayan Mithila University, Kameshwarnagar Darbhanga and a bachelors in acharya studies from Kameshwarsingh Darbhanga Sanskrit University, Drabhanga. He was conferred with the degree of doctor of philosophy from Kameshwarsingh Darbhanga Sanskrit University, Drabhanga. He has also qualified the national eligibility test for assistant professor conducted by University Grants Commission. He has about 2 years of experience in academia. He is associated with Kameshwarsingh Darbhanga Sanskrit University, Drabhanga as an assistant professor.

**Bimal Chand Oswal** is the Additional Director (Independent) of our Company. He has passed his honours examination from University of Calcutta and passed his final examination in law from University of Calcutta. He is on the board of directors on North East India Ayush Consortium Limited. He is also associated with Rhino Research Products Dhubri (Assam) as a chief executive officer. He has over 39 years of experience in pharmaceutical sector.

**Sajal Jha** is the non-official independent director of our Company. She holds a bachelor's degree in arts from Magadh University and, a bachelor's degree in law from Bihar Institute of Law, Magadh University. She is registered as an advocate on the roll of the Bihar State Bar Council, Patna and has over 14 years of experience as an advocate practicing at Patna High Court.

#### **Details of directorships in companies suspended or delisted**

None of our Directors is or was a director of any company listed on any stock exchange during the five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of their directorship in such company.

Further, none of our Directors have been identified as Wilful Defaulters, Fugitive Economic Offenders or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

#### **Arrangement or understanding with major Shareholders, customers, suppliers, or others**

None of our Directors have been appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

#### **Service contract with Directors**

No officer of our Company, including our Directors have entered a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### **Terms of appointment of our Directors**

#### **A. Terms of employment of our Executive Directors**

The Executive Directors of our Company are appointed by the NTPC Limited pursuant to the letter dated September 2, 2024 read with, letter number 8/4/2020-Th-I dated August 28, 2024 issued by the Ministry of Power, Government of India. The appointment of Executive Directors is governed by their appointments in one of our Promoters, namely, NTPC Limited.

#### **B. Terms of employment of our Non-Executive and non-official Independent Directors**

The appointment terms of the Non-Executive and non-official independent directors of our Company are governed in accordance with the office order dated November 4, 2024, issued by the Ministry of Power, Government of India.

### **Payments or benefits to Directors of our Company**

#### **A. Remuneration to our Directors**

The details of remuneration paid to our Executive Directors in Fiscal 2024 are as follows:

There is no amount of remuneration paid to the executive directors or any whole-time director for the Financial Year ended March 31, 2024 as our company did not have any executive director or any whole-time director as during Fiscal 2024.

#### **B. Sitting fees and commission to our Non-Executive and non-official Independent Directors**

There is no amount of remuneration paid to the Non-Executive and non-official Independent Directors on an individual basis, by our Company for Fiscal 2024.

### **Remuneration paid or payable to our Directors by our Subsidiaries or associates**

No remuneration has been paid or is payable to our Directors by our Subsidiaries in Fiscal 2024.

As on the date of this Red Herring Prospectus, our Company does not have any associates.

### **Shareholding of Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

None of the Directors, hold any Equity Shares in our Company.

### **Bonus or profit-sharing plan for our Directors**

As on date of this Red Herring Prospectus, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

### **Interest of Directors**

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company.

All our Directors may be deemed to be interested to the extent of Equity Shares held by them or by their relatives, if any, or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, or that may be subscribed by or Allotted to them pursuant to this Issue. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

As on the date of this Red Herring Prospectus, none of our Directors have any interest in the promotion or formation of our Company other than in the ordinary course of business.

Except as stated in the section titled “*Restated Consolidated Financial Information*” beginning on page 282, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

None of our Directors have any interest in any property acquired by our Company or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors and/or as Key Managerial Personnel. For further details, see “*Risk Factors – Our Promoters and certain of our Directors may have interests in the Company other than reimbursement of expenses incurred or normal remuneration or benefits. Further, we have also acquired certain properties and land from our Corporate Promoter since our incorporation.*” on page 69.

Further, there is no contingent or deferred compensation payable to our Directors at a later date.

There are no material existing or anticipated transactions whereby our Directors will receive any portion of the proceeds from the Issue.

#### **Relationship between our Directors, Key Managerial Personnel and Senior Management**

None of our Directors are related to each other or to any of our Key Managerial Personnel or the Senior Management.

#### **Other confirmations**

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

#### **Changes in the Board in the last three years**

<b>Sr. No</b>	<b>Name</b>	<b>Date of appointment/ change/ cessation</b>	<b>Reason</b>
1.	Dr. Viveka Nand Paswan	November 5, 2024	Appointed as Additional Director (Independent)
2.	Bimal Chand Oswal	November 5, 2024	Appointed as Additional Director (Independent)
3.	Sajal Jha	November 4, 2024	Appointed as Additional Director (Independent)
4.	Ajay Dua	November 4, 2024	Resigned as Non-Executive Director
5.	Sangeeta Kaushik	November 4, 2024	Resigned as Non-Executive Director
6.	Ritu Arora	November 4, 2024	Resigned as Non-Executive Director
7.	Gurdeep Singh	September 10, 2024	Regularised as Chairman & Managing Director
8.	Jaikumar Srinivasan	September 10, 2024	Regularised as Director (Finance)
9.	Shanmugha Sundaram Kothandapani	September 10, 2024	Regularised as Director (Projects)
10.	Sangeeta Kaushik	September 10, 2024	Regularised as Non-Executive Director
11.	Ritu Arora	September 10, 2024	Regularised as Non-Executive Director
12.	Gurdeep Singh	September 9, 2024	Appointed as Chairman & Managing Director

Sr. No	Name	Date of appointment/ change/ cessation	Reason
			(Additional Director)
13.	Jaikumar Srinivasan	September 9, 2024	Redesignated as Director (Finance)
14.	Shanmugha Sundaram Kothandapani	September 9, 2024	Redesignated as Director (Projects)
15.	Ritu Arora	September 9, 2024	Appointment as Non-Executive Director (Additional Director)
16.	Shanmugha Sundaram Kothandapani	January 11, 2024	Appointment as Chairman and Non-Executive Director (Additional Director)
17.	Gurdeep Singh	January 8, 2024	Resigned as Chairman and Non-Executive Director
18.	Sangeeta Kaushik	December 8, 2023	Appointment as Non-Executive Director - Additional Director
19.	Shoba Pattabhiraman	November 10, 2023	Resigned as Non-Executive Director
20.	Ajay Dua	September 26, 2023	Regularised as (Non-Executive Director)
21.	Shoba Pattabhiraman	September 26, 2023	Regularised as Non-Executive Director
22.	Jaikumar Srinivasan	September 26, 2023	Regularised as (Non-Executive Director)
23.	Gurdeep Singh	September 26, 2023	Regularised as Chairman and Non-Executive Director
24.	Shoba Pattabhiraman	July 25, 2023	Appointment as Non-Executive Director
25.	Ajay Dua	February 17, 2023	Appointed as Non-Executive Director (Additional Director)
26.	C. K. Mondol	January 31, 2023	Resigned as Non-Executive Director
27.	Gurdeep Singh	August 9, 2022	Appointment as Chairman and Non-Executive Director (Additional Director)
28.	Aditya Dar	August 9, 2022	Resigned as Non-Executive Director
29.	Vinay Kumar	August 9, 2022	Resigned as Non-Executive Director
30.	Jaikumar Srinivasan	August 9, 2022	Appointed as Non-Executive Director (Additional Director)
31.	C. K. Mondol	April 7, 2022	Appointment as First Director
32.	Aditya Dar	April 7, 2022	Appointment as First Director
33.	Vinay Kumar	April 7, 2022	Appointment as First Director

### Borrowing powers of the Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Board of our Company on August 14, 2023 and a resolution passed by the shareholders of our Company on September 26, 2023 our Board is authorized to borrow from time to time, any sum or sums, of monies either in foreign currency and/or in Indian rupee, as may be required for the purpose of the business of the Company, from one or more Bank(s), financial institutions(s), body corporates(s), corporation(s), company(s), firm(s), one or more persons or other acceptable sources on such terms and conditions whether secured or unsecured notwithstanding that the monies so borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business) may at any time exceed the aggregate paid-up share capital and free reserves of the Company, provided that the total amount so borrowed by the Board shall not at any time exceed the sum of ₹ 150,000 million.

### Corporate Governance

In addition to the applicable provisions of the Companies Act and DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. Except in relation to the exemption sought by our Company from SEBI in relation to composition of committees and term of reference, as described below, we are in compliance with the requirements of the applicable regulations, including the Companies Act, SEBI ICDR Regulations and SEBI Listing Regulations in respect of corporate governance including constitution of the Board and committees thereof and formulation of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's

supervisory role from the executive management team and constitution of the Board committees, as required under law.

**The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas**

In accordance with the MCA notification, dated June 5, 2015, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, matters pertaining to the appointment, and remuneration of our Directors and performance evaluation of our Directors are determined by the President of India, acting through the Ministry of Power, Government of India. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. Accordingly, in so far as the abovementioned matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be. Further, the Nomination and Remuneration Committee neither has the power to formulate any criteria/policy to determine qualifications, positive attributes, independence, or remuneration of the directors nor does it have power to formulate criteria for evaluation of performance of our Directors. To this extent, the terms of reference of the Nomination and Remuneration Committee and the Audit Committee are precluded from being consistent with the role of a nomination and remuneration committee and an audit committee under the SEBI Listing Regulations.

Accordingly, in relation to the above matters, our Company had filed an exemption letter with the SEBI dated September 18, 2024 under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations seeking certain exemptions including from the relevant provisions of the SEBI Listing Regulations. SEBI, *vide* its letter bearing reference number SEBI/CFD/RAC-DIL1/2024/32978 dated October 21, 2024, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see “*Issue Document Summary– Exemption from complying with any provisions of securities laws, if any, granted by SEBI*” on page 30.

**Committees of the Board**

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders’ Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

For purposes of this Issue, our Board has also constituted an IPO Committee.

***Audit Committee***

The Audit Committee was originally constituted pursuant to a resolution passed by our Board dated October 25, 2023 and was last reconstituted pursuant to a resolution of our Board dated November 4, 2024. It is in compliance with Section 177 of the Companies Act. The current constitution of the Audit committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Bimal Chand Oswal	Chairman	Additional Director (Independent)
Dr. Viveka Nand Paswan	Member	Additional Director (Independent)
Shanmugha Sundaram Kothandapani	Member	Director (Projects)

Its terms of reference, as per Regulation 18 of SEBI Listing Regulations, adopted pursuant to a meeting of the Board of Directors held on September 9, 2024 and by the IPO Committee on November 6, 2024, are as follows:



### *Role of the Audit Committee*

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations (except to the extent that the statutory auditors of our Company are appointed by CAG, as our Company is a government company) and its terms of reference include the following:

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) To take note of the appointment and the terms of appointment of the auditors of the Company by the Comptroller and Auditor General of India ("CAG") and to recommend to the Board fixation of audit fee, appointment internal auditors, cost auditors or and other external auditor and approval for payment for any other services;
- (c) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - 1. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - 2. changes, if any, in accounting policies and practices and reasons for the same;
  - 3. major accounting entries involving estimates based on the exercise of judgment by management;
  - 4. significant adjustments made in the financial statements arising out of audit findings;
  - 5. compliance with listing and other legal requirements relating to financial statements;
  - 6. disclosure of any related party transactions; and
  - 7. modified opinion(s) in the draft audit report.
- (d) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (e) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- (f) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (g) approval or any subsequent modification of transactions of the Company with related parties
- (h) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (i) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given
- (j) make necessary changes to the policy on materiality of related party transactions and on dealing with related party transactions and guidelines as may be required, from time to time as it may deem fit;
- (k) scrutiny of inter-corporate loans and investments;
- (l) valuation of undertakings or assets of the Company, wherever it is necessary;
- (m) evaluation of internal financial controls and risk management systems;
- (n) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) approve the disclosure of the key performance indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company;
- (p) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (q) discussion with internal auditors of any significant findings and follow up there on;
- (r) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (s) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (t) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (u) to review the functioning of the vigil mechanism and whistle blower mechanism and to whom the directors and employee shall report in case of any concern;
- (v) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (w) carrying out any other functions required to be carried out by the Audit Committee, as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- (x) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100.00 crore or 10.00% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;
- (y) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (z) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
- (aa) Carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any

other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- management letters/ letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

#### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was originally constituted pursuant to a resolution of our Board dated September 9, 2024 and was last reconstituted pursuant to a resolution of our Board dated November 4, 2024. It is in compliance with Section 178 of the Companies Act. The current constitution of the Nomination and Remuneration Committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Sajal Jha	Chairperson	Additional Director (Independent)
Dr. Viveka Nand Paswan	Member	Additional Director (Independent)
Bimal Chand Oswal	Member	Additional Director (Independent)

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Regulation 19 of the SEBI Listing Regulations (except for the fact the Nomination and Remuneration Committee of our Company does not have the power to appoint the directors and decide their terms of appointment, given that our Company is a government company and the directors of our Company are appointed by the Government). The terms of reference of the Nomination and Remuneration Committee approved pursuant to a meeting of the Board of Directors held on September 9, 2024 and a meeting of the IPO Committee on November 6, 2024 are as follows:

1. Taking on record the appointment and removal of directors (including their remuneration and other terms of appointment), including independent directors, by the President of India, acting through the Ministry of Power, Government of India.
2. Taking on record the extension, if any, of the term of the independent directors of the Company, as may be directed by the President of India, acting through the Ministry of Power, Government of India.
3. To recommend to the board of directors a policy relating to the remuneration of the key managerial personnel and other employees.
4. Devising a policy on diversity of Board of Directors.

5. Identifying persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
6. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. To ensure that the Company has in place programmes for the effective induction of new Directors.
8. To ensure 'fit and proper' status/criteria of Directors in accordance with the RBI guidelines.
9. To carry out any other function contained in the SEBI Listing Regulations, DPE Guidelines, RBI guidelines and the Companies Act, 2013 as and when amended from time to time.

### ***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was originally constituted pursuant to a resolution of our Board dated September 9, 2024 and was last reconstituted pursuant to a resolution of our Board dated November 4, 2024. It is in compliance with Section 178 of the Companies Act. The current constitution of the Stakeholders' Relationship Committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Dr. Viveka Nand Paswan	Chairperson	Additional Director (Independent)
Jaikumar Srinivasan	Member	Director (Finance)
Shanmugha Sundaram Kothandapani	Member	Director (Projects)

Its terms of reference, as per Regulation 20 of SEBI Listing Regulations, as updated pursuant to a meeting of the Board of Directors held on September 9, 2024, are as follows:

#### *Terms of reference for the Stakeholders' Relationship Committee:*

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (b) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- (c) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- (e) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

### ***Corporate Social Responsibility Committee***

The Corporate Social Responsibility Committee was originally constituted pursuant to a resolution passed by our Board dated July 25, 2023 and was last reconstituted pursuant to a resolution of our Board dated November 4,

2024. It is in compliance with Section 135 of the Companies Act. The current constitution of the Corporate Social Responsibility committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Jaikumar Srinivasan	Chairman	Director (Finance)
Shanmugha Sundaram Kothandapani	Member	Director (Projects)
Dr. Viveka Nand Paswan	Member	Additional Director (Independent)

Its terms of reference as updated pursuant to a meeting of the Board of Directors held on September 9, 2024 , are as follows:

*Functions of the Corporate Social Responsibility Committee:*

- (a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, and the rules made thereunder and make any revisions therein as and when decided by the Board ;
- (b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (c) review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (d) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (e) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:
  - a. the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
  - b. the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
  - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d. monitoring and reporting mechanism for the projects or programmes; and
  - e. details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

- d. monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- e. To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act, as amended.

- f. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

### ***Risk Management Committee***

The Risk Management Committee was originally constituted pursuant to a resolution passed by our Board dated September 9, 2024 and was last reconstituted pursuant to a resolution of our Board dated November 4, 2024. The current constitution of the Risk Management committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Shanmugha Sundaram Kothandapani	Chairman	Director (Projects)
Jaikumar Srinivasan	Member	Director (Finance)
Bimal Chand Oswal	Member	Additional Director (Independent)
Rajiv Gupta	Member	CEO

Its terms of reference as updated pursuant to a meeting of the Board of Directors held on September 9, 2024, are as follows:

- (a) To formulate a detailed risk management policy which shall include:
- i. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - iii. Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- (g) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### ***IPO Committee***

The IPO Committee was originally constituted pursuant to a resolution passed by our Board dated September 09, 2024. The current constitution of the IPO Committee is as follows:

<b>Name of Director</b>	<b>Position in committee</b>	<b>Designation</b>
Jaikumar Srinivasan	Chairman	Director (Finance)

Shanmugha Kothandapani	Sundaram	Member	Director (Projects)
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\* *Ajay Dua (erstwhile Non-Executive Director of our Company) was a member of the IPO Committee, originally incorporated on September 9, 2024 and has resigned from the Board of Directors with effect from November 4, 2024.*

Its terms of reference as updated pursuant to a meeting of the Board of Directors held on September 09, 2024 are as follows:

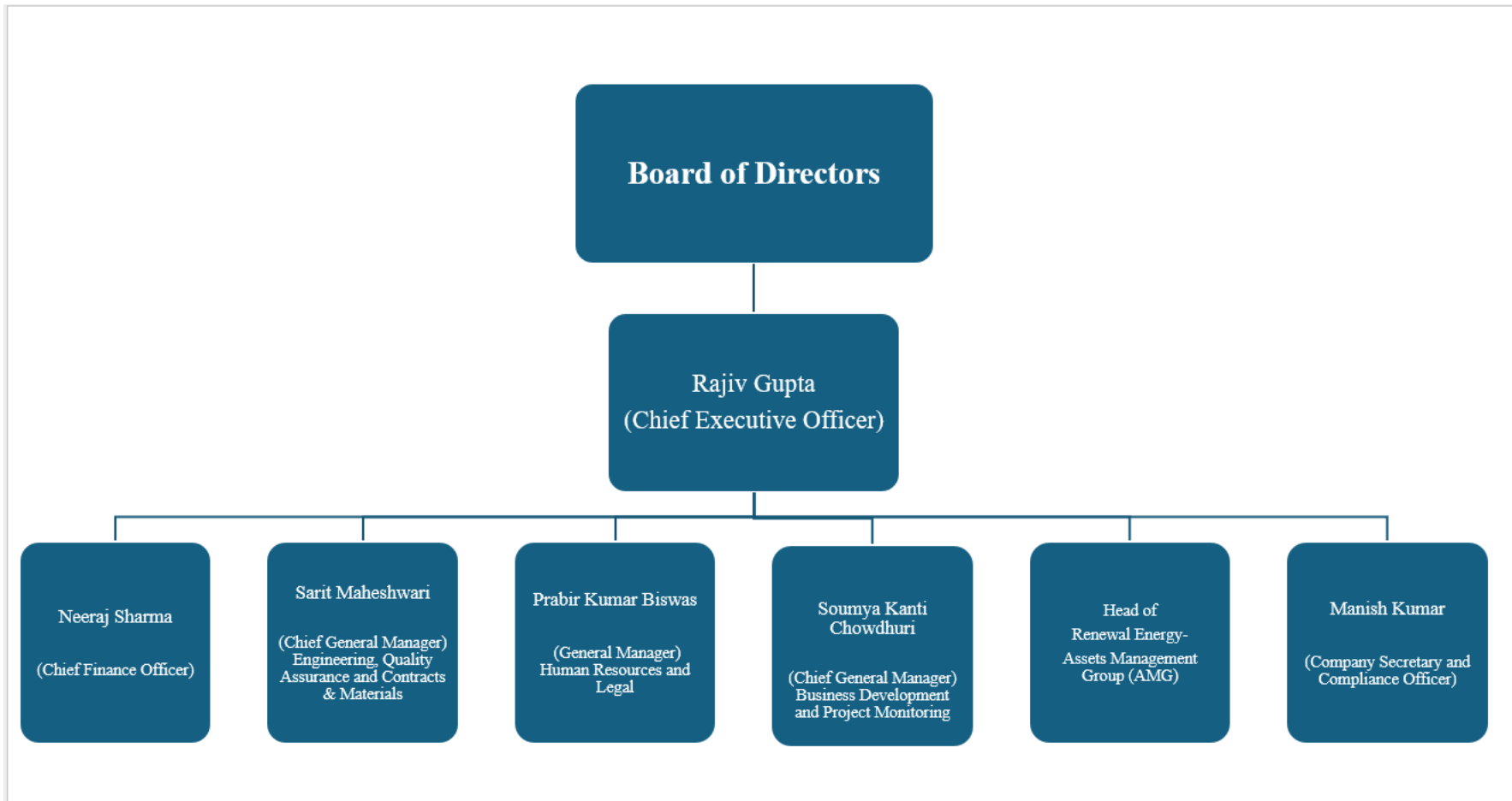
- (a) to decide in consultation with the BRLMs the actual size of the Issue and taking on record the number of equity shares (the “Equity Shares”), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees or eligible shareholders, which include the shareholders of the listed promoter, NTPC Limited, participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
- (b) to appoint, instruct and enter into agreements with the BRLMs, and in consultation with BRLMs, appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, industry expert, legal counsels, depositories, printers, advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and issue agreement with the BRLMs, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- (c) to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus (“DRHP”), the red herring prospectus (“RHP”), abridged prospectus, application forms, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed (“Stock Exchanges”), the Registrar of Companies, at Delhi and Haryana (“Registrar of Companies”), institutions or bodies;
- (d) to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), Companies Act, 2013, as amended and other applicable laws;
- (e) to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
- (f) to open separate escrow accounts to receive application monies from anchor investors/ underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
- (g) to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;
- (h) to negotiate, finalise, sign, execute and deliver or arrange the delivery of the issue agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, legal advisors, auditors, Stock Exchanges, BRLMs and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;

- (i) to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Registrar of Companies, and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- (j) to make in-principle and final applications for listing and trading of the Equity Shares on one or more stock exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- (k) to determine and finalize, in consultation with the BRLMs, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
- (l) to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;
- (m) to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
- (n) to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company’s lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
- (o) to determine the price at which the Equity Shares are offered, allocated, and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- (p) to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- (q) to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
- (r) to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
- (s) to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and applicable laws;
- (t) to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant stock exchange(s) where the Equity Shares are to be listed; and



- (u) to authorize and empower officers of the Company (each, an “Authorized Officer(s)”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories’ agreements, the issue agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, the stabilization agreement, the share escrow agreement, the escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLMs and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.
- (v) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

**Management Organization Chart**



## Key Managerial Personnel

In addition to Gurdeep Singh, Jaikumar Srinivasan and Shanmugha Sundaram Kothandapani whose details have been provided under the section titled “– *Brief biographies of Directors*” on page 253, the details of our other Key Managerial Personnel as on the date of this Red Herring Prospectus, are as follows:

**Rajiv Gupta** is the Chief Executive Officer of our Company. He has been associated with our NTPC Limited since November 30, 1987. He holds a bachelor’s degree in mechanical engineering from Delhi University and a master’s degree in business administration from Delhi University. He has over 36 years of experience in power sector. He has received remuneration of ₹ 2.50 million in Fiscal 2024 by NREL, one of our Subsidiaries.\*

*The amount of remuneration Rs. 2.50 million is being paid to the KMP of our Company, on an individual basis, by one of our Subsidiary (NTPC Renewable Energy Limited). The remuneration expense is accounted for in the books of our Subsidiary.*

**Neeraj Sharma** is the Chief Financial Officer of our Company. He has been associated with NTPC Limited since October 7, 1998. He holds a bachelor’s degree in commerce from Panjab University. He is a member of Institute of Chartered Accountants of India. He has over 25 years of experience in the power sector. He has received remuneration of ₹ 6.01 million in Fiscal 2024 from our Company.

**Manish Kumar** is the Company Secretary and Compliance Officer of our Company. He has been associated with NTPC Limited since November 08, 2005. He holds a bachelor’s degree in science (honours) from Magadh University and a bachelor’s degree in laws from the University of Delhi. He is a member of the Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Cenlub Industries Limited as a Company Secretary. He has received remuneration of ₹ 4.69 million in Fiscal 2024\*.

*\*The amount of remuneration Rs. 4.69 million is being paid to the KMP of our company, on an individual basis, by one of our Promoters, NTPC Limited. The remuneration expense is accounted for in the books of the promoter company.*

## Senior Management

In addition to Chief Executive Officer, Chief Financial Officer and Company Secretary and Compliance Officer of our Company, whose details are provided in “– *Key Managerial Personnel*” on page 270 the details of our other Senior Management are set out below:

**Sarit Maheshwari** is the Chief General Manager – Engineering of our Company. He has been associated with our Company since May 25, 2024. He holds a bachelor’s degree in science (mechanical engineering) from the Aligarh Muslim University, Aligarh; a master’s degree in technology in power generation technology from Indian Institute of Technology, Delhi and, degree of master of business administration from Indra Gandhi National Open University. Prior to joining our Company, she/ he was associated with NTPC Korba as head of projects. He has received Nil remuneration from our Company in Fiscal 2024.

**Soumya Kanti Chowdhuri** is the Chief General Manager (PM, BD & C&I) of our Company. He has been associated with our Company since May 12, 2024. He has passed bachelor’s degree in science (mechanical engineering) from University of Calcutta He is associated with NTPC Limited since September 1, 1987 and has an experience of more than 37 years in power sector. He has received remuneration of ₹ 8.73 million in Fiscal 2024 from NREL.\*

*\*The amount of remuneration is being paid on an individual basis, by one of our Subsidiary (NTPC Renewable Energy Limited). The remuneration expense is accounted for in the books of our Subsidiary.*

**Prabir Kumar Biswas** is the General Manager (Human Resources) of our Company. He has been associated with our Company since March 31, 2024. He holds a bachelor’s degree in mechanical engineering from Bengal Engineering College, Howrah and a master’s degree in technology from Inian Institute of Technology at Kharagpur. He is also completed a post-graduate diploma in management from Management Development

Institute. He is associated with NTPC Limited since December 7, 1992 and has experience of over 32 years. Prior to joining our Company, he was associated with NTPC Vindhyachal Super Thermal Power Station as an HR. He has received remuneration of ₹ 0.02 million during Fiscal 2024 from our Company.

#### **Relationships among Key Managerial Personnel and Senior Management**

None of the Key Managerial Personnel or Senior Management are related to each other.

#### **Status of the Key Managerial Personnel and Senior Management**

Except our Executive Directors, all the Key Managerial Personnel and Senior Management are on secondment basis from NTPC Limited. For further details in relation to the appointment of Key Managerial Personnel and Senior Management please see the section titled “*Our Management – Arrangement or understanding with major Shareholders, customers, suppliers, or others*” on page 256.

#### **Retirement and termination benefits**

Except applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

#### **Shareholding of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Red Herring Prospectus.

#### **Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management**

None of the Key Managerial Personnel or Senior Management is party to any bonus or profit-sharing plan of our Company. The management from time to time decides to give performance bonus to its employees.

#### **Arrangement or understanding with major Shareholders, customers, suppliers, or others**

Except as stated below, there are no arrangement or understanding with the major Shareholders, customers, suppliers, or others, pursuant to which any Key Managerial Personnel or Senior Management was selected as a Key Managerial Personnel or Senior Management.

Except our Executive Directors, all the Key Managerial Personnel and Senior Management are on secondment basis from NTPC Limited. Details of their appointments are given below:

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Details in relation to the appointment</b>
1	Rajiv Gupta	Chief Executive Officer	Rajiv Gupta was initially an employee of NTPC Limited. He was appointed as Chief Executive Officer of our Company with an additional charge at NREL pursuant to the office order number 1586/23-24 dated April 2, 2024.
2	Neeraj Sharma	Chief Financial Officer	Neeraj Sharma was initially an employee of NTPC Limited. He was transferred to our Company pursuant to the transfer order dated 541/22-23 dated July 13, 2022.

S. No.	Name	Designation	Details in relation to the appointment
3	Manish Kumar	Company Secretary and Compliance Officer	Manish Kumar was initially an employee of NTPC Limited. He was transferred and posted to our Company on secondment basis pursuant to the office order dated 0585/24-25 dated September 06, 2024.
4	Sarit Maheshwari	Chief General Manager (Engineering)	Sarit Maheshwari was initially an employee of NTPC Limited. He was appointed as Chief General Manager (RE) of our Company with an additional charge of Chief Executive Officer of NREL, pursuant to the office order dated order: 23/2024-25 dated August 23, 2024.
5	Soumya Kanti Chowdhuri	Chief General Manager (PM, BD & C&I)	Soumya Kanti Chowdhuri was initially an employee of NTPC Limited. He was appointed as Chief General Manager of our Company pursuant to the office order dated March 20, 2024.
6	Prabir Kumar Biswas	Chief General Manager (Human Resource)	Prabir Kumar Biswas was initially an employee of NTPC Limited. He was transferred to our Company pursuant to the transfer order dated 1510/23-24 dated March 26, 2024.

#### **Contingent and deferred compensation payable to Key Managerial Personnel or Senior Management**

There is no contingent or deferred compensation payable to Key Managerial Personnel or Senior Management.

#### **Payment or benefit to officers of our Company (non-salary related)**

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration, for services rendered as officers of our Company as disclosed above in “– *Terms of appointment of our Executive Directors*” and “– *Key Managerial Personnel and Senior Management Personnel*” on pages 256 and 270 respectively, dividend that may be payable in their capacity as Shareholders.

#### **Service contracts with Key Managerial Personnel and Senior Management**

Other than statutory benefits upon termination of their employment in our Company on retirement and, none of our Key Managerial Personnel or Senior Management have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

#### **Interest of Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. Further, our KMPs are also interested in our Company to the extent of the unsecured loans provided by them to our Company.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

For further details please see the section titled “*Our Management – Interest of Directors*” on page 256.

#### **Changes in the Key Managerial Personnel and Senior Management**

There have been no changes in the Key Managerial Personnel and Senior Management in the last three years, other than as disclosed under “– *Changes in the Board in the last three years*” on page 257, and stated below:

Name	Designation	Date of change	Reason for change
Sarit Maheshwari	Chief General Manager – Engineering	May 25, 2024	Appointment
Soumya Kanti Chowdhuri	Chief General Manager (PM, BD & C&I)	May 12, 2024	Appointment
Prabir Kumar Biswas	General Manager (Human Resources)	March 31, 2024	Appointment
Rajiv Gupta	Chief Executive Officer	March 2, 2024	Appointment
Mohit Bhargava	Chief Executive Officer	February 29, 2024	Cessation due to Superannuation from services of NTPC Limited
Neeraj Sharma	Chief Financial Officer	May 12, 2023	Appointment
Manish Kumar	Company Secretary	December 21, 2022	Appointment
Mohit Bhargava	Chief Executive Officer	July 5, 2022	Appointment

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

#### **Other confirmations**

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Directors and Key Managerial Personnel.

There is no conflict of interest between the lessors of the immovable properties (which are crucial for operations of our Company) and our Directors and Key Managerial Personnel.

#### **Employee stock option schemes**

Our Company does not have any employee stock option scheme.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are the President of India, acting through the Ministry of Power, Government of India and NTPC Limited. As on the date of this Red Herring Prospectus, NTPC Limited is a Shareholder of our Company and holds 7,500,000,000\* Equity Shares, representing 100.00% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

*\* Currently, as on the date of this Red Herring Prospectus, NTPC Limited holds 7,500,000,000 Equity Shares of face value of ₹ 10 each which is inclusive of-*

*i) 100 Equity Shares of face value of ₹ 10 each held by NTPC Limited jointly with each of Virendra Malik, Ritu Arora, Rachana Singh Bahl, Arun Kumar, Pooja Shukla and Rashmi Aggarwal, as nominees of NTPC Limited; and*

*ii) 100 Equity Shares held by Renu Narang, on an individual basis as a nominee of NTPC Limited.*

For details of the build-up of our Corporate Promoter's shareholding in our Company, please refer to the section titled "*Capital Structure – Notes to Capital Structure – Details of Shareholding of our Promoter and members of the Promoter Group in our Company – (ii) Build-up of the shareholding of NTPC Limited in our Company*" on page 116.

### Details of our Promoters

#### *Individual Promoter*

##### **President of India**

Our individual promoter is the President of India acting through the Ministry of Power. As our individual promoter is the President of India, acting through the Ministry of Power, disclosures and confirmations in relation to the Promoter Group (as defined in Regulation 2(1)(pp) of the SEBI ICDR Regulations) as specified in Schedule VI of the SEBI ICDR Regulations are inapplicable to our Company and have therefore not been provided in this Red Herring Prospectus.

#### *Corporate Promoter*

##### *Corporate Information*

##### **NTPC Limited**

NTPC Limited was incorporated on November 7, 1975, under the Companies Act, 1956 as a private limited company under the name 'National Thermal Power Corporation Private Limited', and the word "Private" was deleted on September 30, 1976 consequent upon the notification issued by the GoI exempting government companies from the use of word "private" in their name. On September 30, 1985, NTPC Limited was converted from a private limited company into a public limited company. Subsequently, the name of NTPC Limited was changed to its present name "NTPC Limited" and a fresh certificate of incorporation was issued on October 28, 2005.

The registered office of NTPC Limited is situated at NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India.

NTPC Limited is a 'Maharatna' central public sector enterprise under the ownership of the Ministry of Power and the Government of India, which is engaged in the generation of electricity, consultancy, coal mining, etc. NTPC Limited is a listed company, having its equity shares listed on BSE and NSE. The significant beneficial ownership of NTPC Limited lies with the President of India acting through the Ministry of Power. There have been no changes to the primary business activities undertaken by NTPC Limited.

#### *Board of directors*

The board of directors of NTPC Limited\* as on the date of this Red Herring Prospectus is as follows:

1. Gurdeep Singh (Chairman and Managing Director)
2. Jaikumar Srinivasan (Director (Finance))
3. Shivam Srivastava (Director (Fuel))
4. Shanmugha Sundaram Kothandapani (Director (Projects))
5. Ravindra Kumar (Director (Operations))
6. Anil Kumar Jadli (Director (HR))
7. Piyush Surendrapal Singh (Non-Executive, Non-Independent Director)
8. Mahabir Prasad (Non-Executive, Non-Independent Director)

*\* Vivek Gupta, Vidyadhar Vaishampayan, Jitendra Tanna and Sangitha Varier have ceased to be the independent directors on the board of our Corporate Promoter, with effect from November 11, 2024. Our Corporate Promoter is in the process of obtaining the relevant orders of appointment for the new independent directors from the Ministry of Power, Government of India.*

*[Remainder of this page has intentionally been left blank]*



Shareholding Pattern

The shareholding pattern of NTPC Limited as on September 30, 2024 is as follows:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of Equity Shares underlying Depository Receipts (VI)	Total no. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights						No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class: Equity	Class: Others	Total	Total as a % of (A+B+C)							
(A)	Promoter and Promoter Group	1	4,955,346,251	-	-	4,955,346,251	51.10	4,955,346,251	-	4,955,346,251	51.10	-	51.10	-	-	-	4,955,346,251	
(B)	Public	3,574,827	4,741,319,883	-	-	4,741,319,883	48.90	4,741,319,883	-	4,741,319,883	48.90	-	48.90	-	-	-	4,741,246,866	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>3,574,828</b>	<b>9,696,666,134</b>	<b>-</b>	<b>-</b>	<b>9,696,666,134</b>	<b>100.00</b>	<b>9,696,666,134</b>	<b>-</b>	<b>9,696,666,134</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,696,593,117</b>	

### *Change in control*

The President of India, acting through the Ministry of Power is the promoter of NTPC Limited, holding 51.10% of its equity share capital. There has been no change in the control of NTPC Limited during the last three years preceding the date of this Red Herring Prospectus.

Our Company confirms that the permanent account number and bank account number of our Corporate Promoter, NTPC Limited have been submitted to the Stock Exchanges, at the time of filing of the Draft Red Herring Prospectus.

### **Change in the management and control of our Company**

While there has been no change in control of our Company since its incorporation, pursuant to the Board resolution dated September 9, 2024, the President of India, acting through the Ministry of Power, Government of India, has been identified as a Promoter of our Company.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their respective shareholding and the dividend and other distributions payable in respect of the same; and (iii) that our Company has undertaken transactions with them, or entities in which our Promoters holds equity shares. For details regarding the shareholding of our Promoters and other interests in our Company, please see the sections entitled “*Capital Structure – Details of shareholding of our Promoter and members of the Promoter Group in our Company*” and “*Our Management – Interest of Directors*” on pages 116 and 256, respectively.

Except as disclosed below, our Promoters do not have any interest, whether direct or indirect, in any property acquired by our Company within the three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc:

- i) Our Company entered into a business transfer agreement dated July 8, 2022 with our Company for the transfer of fifteen Renewable Energy (RE) assets of the Company. The assets were transferred as at the closing date of transfer, being February 28, 2023, at book value pursuant to BTA. However, since the approval for assignment / novation of the land pertaining to Rojmal project and Jetsar project, included in the above transferred RE assets, haven't yet been consented by the respective lessors, they have been retained in the books of our Corporate Promoter. Our Company, has accordingly entered into a right-of-use (ROU) agreement with our Corporate Promoter for the use of land pertaining to these projects, pending transfer of the lease-hold rights.
- ii) Our Company has entered into a lease agreement dated August 31, 2023, with our corporate promoter, NTPC Limited, for a period of 29 years, vide which it has been granted leasehold rights over 2,809.26 acres of land at Barethi, Madhya Pradesh wherein it intends to develop a solar park.
- iii) Our Company entered into a lease agreement dated April 8, 2024 with our Corporate Promoter, NTPC Limited for acquiring leasehold rights to our Corporate Office.

Except for the Share purchase agreement dated July 8, 2022 entered into between our Company and our Corporate Promoter and except as disclosed hereinabove, our Company has not entered into any contracts, agreements or arrangements during the two years immediately preceding the date of this Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For further details, see “*History and Certain Corporate Matters- Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since incorporation of our Company*” on page 245.

As on the date of this Red Herring Prospectus, no loans have been availed by the Promoters from our Company.

Our Promoters are not interested as members of a firm or company, and no sum has been paid, or agreed to be paid to them or to such firm or company in which they are interested as a member, in cash or shares or otherwise by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by such firm or company, in connection with the promotion or formation of our Company.

Other than as disclosed in the sections titled “Our Promoters and Promoter Group” and “Our Group Companies” on pages 274 and 540, respectively, our Corporate Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when it arises.

There are no conflicts of interest between the suppliers of raw materials and third-party service providers, who are crucial for the operations of our Company, and our Corporate Promoter and members of our Promoter Group. Further, except as disclosed above, there are no conflicts of interest between the lessor of the immovable properties who are crucial for operations of our Company and our Corporate Promoter and members of our Promoter Group.

#### **Payment or benefits to our Promoters or Promoter Group**

Except as stated below, and otherwise as disclosed in the sections titled “*Restated Consolidated Financial Information – Disclosure as per Ind AS 24 'Related Party Disclosures'*” and “*Our Management –Interest of Directors*” and “*-Interest of our Promoters*” on pages 340, 256 and 277 respectively, no amount or benefit has been paid or given to our Promoter or Promoter Group during the two years prior to the filing of this Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus:

During the last fiscal, our Company acquired 1,200 acres of land at Pudimadaka in the state of Andhra Pradesh through our Corporate Promoter at consideration of ₹ 10,034.52 million, on a leasehold basis from the Andhra Pradesh Industrial Infrastructure Corporation Limited for 33 years. Our Company has thereby reimbursed the expenditure incurred by our Corporate Promoter for the acquisition of the leasehold rights.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Except as disclosed below, our Promoters have not dissociated themselves from any company or firms during the last three years preceding the date of this Red Herring Prospectus:

<b>S.No.</b>	<b>Name of the disassociated entity</b>	<b>Date of disassociation</b>	<b>Reason/ circumstances leading to the disassociation and terms of disassociation</b>
1.	NTPC Renewable Energy Limited	February 28, 2023	100% equity shareholding of NTPC Renewable Energy Limited was transferred to our Company with the aim of consolidating NTPC's renewable energy business within our company and thereby facilitating the efficient and effective monetization of its renewable energy assets

#### **Material guarantees**

Our Corporate Promoter, NTPC Limited, has not given any material guarantees to any third party, with respect to the Equity Shares, as of the date of this Red Herring Prospectus.

#### **Promoter Group**

In addition to our Promoters, the following entities form part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, with respect to our Corporate Promoter, NTPC Limited.

##### ***Entities forming part of the Promoter Group***

1. NTPC Electric Supply Company Ltd

2. Patratu Vidyut Utpadan Nigam Limited
3. NTPC Mining Limited
4. North Eastern Electric Power Corporation Limited
5. THDC India Limited
6. NTPC EDMC Waste Solutions Private Limited
7. Ratnagiri Gas and Power Private Limited
8. NTPC Vidyut Vyapar Nigam Limited
9. Bhartiya Rail Bijlee Company Limited
10. Tusco Limited
11. TREDCO Rajasthan Limited
12. THDCIL-UJVNL Energy Company Limited
13. NTPC-Sail Power Company Limited
14. NTPC Tamil Nadu Energy Company Limited
15. Aravali Power Company Private Limited
16. Meja Urja Nigam Private Limited
17. Utility Powertech Limited
18. NTPC GE Power Services Private Limited
19. NTPC Bhel Power Projects Private Limited
20. CIL NTPC Urja Private Limited
21. Jhabua Power Limited
22. Trincomalee Power Company Ltd.
23. Bangladesh-India Friendship Power Company Private Ltd.
24. Anushakti Vidhyut Nigam Limited
25. Transformers And Electricals Kerala Ltd
26. Energy Efficiency Services Limited
27. Hindustan Urvarak & Rasayan Limited

## DIVIDEND POLICY

As per Guidelines on Capital Restructuring of Central Public Sector Enterprises, dated May 27, 2016, issued by Department of Investment and Public Asset Management, Ministry of Finance, Government of India (“**DIPAM**”) and the department of Economic Affairs (“**CPSE Capital Restructuring Guidelines**”), containing the guidelines for payment of dividend, applicable from Financial Year ending on or after March 31, 2016, all central public sector enterprise including our Company is required to pay a minimum annual dividend of 30% of profit after tax or 5% of the net worth, whichever is higher, unless an exemption is provided in accordance with the CPSE Capital Restructuring Guidelines. Therefore, subject to the provisions of the CPSE Capital Restructuring Guidelines, the Articles of Association and the Companies Act, the declaration and payment of dividend is recommended by the Board and approved by the Shareholders. The dividend distribution policy of our Company was approved by our Board in its meeting held on September 9, 2024.

Further, the dividends, if any, will depend on a number of factors, including but not limited to our earnings, guidelines issued by the DPE, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into. For further details, see “*Financial Information*” and “*Financial Indebtedness*” on pages 282 and 516, respectively. Our Company may also, from time to time, pay interim dividends.

Our Company was incorporated on April 7, 2022 and it has not paid any dividends since the incorporation of the Company, until the date of this Red Herring Prospectus. The rationale for not declaring dividend was communicated to the Ministry of Power for their further action. For further details, see “*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future*” on page 90. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future. Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for the six month period ended September 30, 2024 and September 30, 2023 and for Fiscals 2024, 2023 and 2022, as reported in the Restated Consolidated Financial Information and Special Purpose Carved-Out Combined Financial Statements, see "*Restated Consolidated Financial Information*" and "*Special Purpose Carved-Out Combined Financial Statements*" beginning on pages 282 and 365 respectively.

**SECTION V: FINANCIAL INFORMATION**  
**RESTATED CONSOLIDATED FINANCIAL INFORMATION**

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## **Independent Auditor's Examination Report on Restated Consolidated Financial Information**

To  
The Board of Directors  
NTPC Green Energy Limited  
NTPC Bhawan, Scope Complex,  
7, Institutional Area, Lodhi Road  
New Delhi-110003

Dear Sirs / Madams,

- 1) We have examined, the attached Restated Consolidated Financial Information of NTPC Green Energy Limited (the "Company" or the "Holding company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries collectively referred to as the "Group"), and its joint venture company, comprising the Restated Consolidated Statement of Assets and Liabilities as at 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the six months period ended 30 September 2024 and 30 September 2023, for the year ended 31 March 2024 and for the period beginning from 7 April 2022 (date of incorporation of the Company) to period ended on 31 March 2023, the summary statement of material accounting policies, read together with the notes thereto (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 30 October 2024, for the purpose of inclusion in the Red Herring Prospectus ("RHP") / Prospectus (collectively referred to as "Offer Documents") to be prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO").

The Restated Consolidated Financial Information prepared in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI"); and
  - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
- 2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in Offer Documents to be filed with SEBI, BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively, the "Stock Exchanges") where the equity shares are proposed to be listed and the Registrar of Companies, National Capital Territory of Delhi and Haryana, in connection with the IPO. The Restated Consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note No. 1(B) to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group and of the joint venture company are responsible for designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of respective restated financial information. The respective Board of Directors of the companies are also responsible for identifying and ensuring that the Group and the joint venture company complies with the Act, the ICDR Regulations and the Guidance Note.
- 3) We have examined such Restated Consolidated Financial Information taking into consideration:
    - (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 30 August 2024, in connection with the IPO;
    - (b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India;
    - (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
    - (d) The requirements of Section 26 of the Act and the ICDR Regulations.



Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

- 4) These Restated Consolidated Financial Information have been compiled by the management from:
- (a) the audited consolidated financial statements of the Group and its joint venture company as at and for the six months periods ended 30 September 2024 and 30 September 2023, which have been approved by the Board of Directors at their Board meeting held on 30 October 2024, and the audited consolidated financial statements of the Group and its joint venture company as at and for the year ended 31 March 2024, which have been approved by the Board of Directors at their Board meeting held on 17 May 2024, prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India.
  - (b) the audited consolidated financial statements of the Group as at and for the period beginning from 7 April 2022 to the period ended on 31 March 2023 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 15 May 2023.
- 5) For the purpose of our examination, we have relied on:
- (a) Auditors’ reports dated 30 October 2024 issued by us on the consolidated financial statements of the Group and its joint venture company as at and for the six months period ended on 30 September 2024 and 30 September 2023 and auditors’ report dated 18 May 2024 issued by us on the consolidated financial statements of the Group and its joint venture company as at and for the year ended 31 March 2024 as referred in Paragraph 4(a) above;
  - (b) Auditor’s reports dated 15 May 2023 issued by the previous auditor (the “Previous Auditor”) on the consolidated financial statements of the Group as at and for the period beginning from 7 April 2022 to the period ended on 31 March 2023 as referred in Paragraph 4(b) above.

The audit for the period beginning from 7 April 2022 to the period ended on 31 March 2023 was conducted by the Company’s Previous Auditor and accordingly reliance has been placed on the audited standalone and consolidated statement of assets and liabilities, the audited standalone and consolidated statement of profit and loss (including comprehensive income), the audited standalone and consolidated statement of changes in equity, the audited standalone and consolidated statement of cash flows and Significant Accounting Policies and other explanatory information audited by them for the said period. The examination report on the restated standalone financial statements included for the said period issued by us is based solely on the report submitted by the Previous Auditor on the standalone financial statements of the Company for the said period.

- (c) The examination report on the Restated Consolidated Financial Information for the six months period ended 30 September 2024 and 30 September 2023 and for the year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023, as applicable, in so far as it relates to both the subsidiaries and the joint venture company, is based solely on the examination reports issued by other auditors on the standalone financial statements / consolidated financial statements (as applicable) of these subsidiaries and joint venture as set out in Appendix A.

These other auditors of the subsidiaries and of joint venture as mentioned above, have examined the restated standalone / consolidated financial information for the aforementioned subsidiaries and joint venture and have confirmed that the restated standalone / consolidated financial information:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the period beginning from 7 April 2022 to the period ended on 31 March 2023, six months period ended 30 September 2023 and for the year ended 31 March 2024 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended 30 September 2024;
- ii. do not require any adjustments for modification as there is no modification in the underlying audit reports; and

iii. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

- 6) (a) We did not audit the financial statements of both the subsidiaries included in the Group for the six months period ended 30 September 2024 and 30 September 2023 and for the year ended 31 March 2024, whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant period / year is tabulated below, which have been audited by other auditors, as set out in Appendix A, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors:

(₹ in Million)

Particulars	As at and for the six months period ended 30 September 2024	As at and for the six months period ended 30 September 2023	As at and for the year ended 31 March 2024
Total assets	1,59,561.36	36,511.59	1,03,352.13
Total revenue	785.57	0.35	115.07
Net cash inflows/ (outflows)	12,495.85	(601.19)	(604.30)

- (b) We did not audit the financial statements of joint venture company for the six months period ended 30 September 2024 and 30 September 2023 and from the date of incorporation i.e. 2 June 2023 to 31 March 2024 included in the Consolidated Financial Statements whose share of profit / (loss), for the relevant periods are (₹ 13.75 Million), ₹ Nil and (₹ 0.02 Million) respectively, which have been audited by other auditor, as set out in Appendix A, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture company, is based solely on the report of the other auditor.

Our opinion on the restated consolidated financial information is not modified in respect of these matters.

- 7) Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the reports submitted by other auditors for the respective year / period, we report that the Restated Consolidated Financial Information:
- i. have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the period beginning from 7 April 2022 to the period ended on 31 March 2023, for the six months period ended 30 September 2023 and financial year 2023-24 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended 30 September 2024 as stated in Notes 33 and 53;
  - ii. do not require any adjustment for modification as there is no modification in the underlying audit reports referred in paragraph 5 above; and
  - iii. includes certain observations appearing in the consolidated financial statements for the six months period ended 30 September 2024 and 30 September 2023, for the year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023 which do not require any corrective adjustments in the Restated Consolidated Financial Information which have been disclosed in **Annexure A** to the examination report dated 30 October 2024 on the restated consolidated financial information (refer Note 53 Part C), are as under:
    - a. Observations as per the Companies (Auditor's Report) Order, 2020 ("CARO 2020") issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act and on Internal financial Controls over financial reporting, for the financial year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023;
    - b. Observations in the Emphasis of Matter and 'Report on Other Legal and Regulatory Requirements' paragraphs of audit reports for the six months period ended 30 September 2024 and 30 September 2023, for the financial year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023, and

- c. Information in respect of the directions issued by the Comptroller and Auditor general of India for the year / period ended 31 March 2024 and 31 March 2023.
- iv. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- 8) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, other assurance and related services Engagements issued by ICAI.
- 9) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the audit reports on the consolidated financial statements mentioned in paragraph 5 above.
- 10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors or other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 12) Our report is intended solely for use of the Board of Directors for inclusion in the RHP / Prospectus to be filed with SEBI, Stock Exchanges and Registrar of Companies, National Capital Territory of Delhi and Haryana in connection with the IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For P R Mehra & Co.  
Chartered Accountants  
Firm's Registration No: 000051N

**Ashok Malhotra**  
Partner  
Membership No: 082648

New Delhi  
30 October 2024

UDIN:

Appendix A to the Examination report on Restated Consolidated Financial Information

List of Company, subsidiaries and joint venture company audited by other auditors:

<u>Company</u>	<u>Year / Period ended</u>	<u>Name of the auditor</u>
1. NTPC Green Energy Limited (Issuer)	7 April 2022 to 31 March 2023.	Rasool Singhal & Co
2. Subsidiaries:	Period ended 30 September 2024 and 30 September 2023 & Year Ended 31 March 2024 \$	
i. NTPC Renewable Energy Limited		A. N. Garg & Company #
ii. Green Valley Renewable Energy limited		* Purushothaman Bhutani & Co #
NTPC Renewable Energy Limited	Year ended 31 March 2023	K L C & CO.
3. Joint Venture Company:	Period ended 30 September 2024 and 30 September 2023 & Period ended 31 March 2024	
INDIANOIL NTPC Green Energy Private Limited		JPMG & ASSOCIATES LLP #

\*Statutory auditor of the subsidiary company do not hold peer review certificate.

# Statutory auditors of these subsidiaries and joint venture have also issued examination reports on the respective standalone financial statements for the six months periods ended 30 September 2024 and 30 September 2023, for the year ended 31 March 2024 and for the period beginning from 07 April 2022 to the period ended on 31 March 2023.

\$ Statutory auditor of NTPC Renewable Energy Limited also issued examination report on the consolidated financial information for the six months periods ended 30 September 2023 and year ended 31 March 2023 as the Green Valley Renewable Energy limited was its subsidiary till 13 December 2023.

ANNEXURE A TO THE AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Key Audit Matters, Emphasis of Matter, Other Matters and other observations paragraphs contained in the Audit Reports for the six months periods ended 30 September 2024 and 30 September 2023, for the year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023. The figures are mentioned in '₹ in Million' although the figures in Auditor's Reports for the year ended 31 March 2024 and for the period beginning from 7 April 2022 to the period ended on 31 March 2023 are in '₹ in Crore'. The note numbers referred pertain to Restated Consolidated Financial Information and not those mentioned in original Auditor's reports of the respective years / periods.

i) Auditor's Report on the Interim Consolidated Financial Statements for the six months periods ended 30 September 2024 and 30 September 2023

**Emphasis of Matter**

We draw attention to the following matters in the notes to the Interim Consolidated Financial Statements:

- Note No. 32(a) regarding balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to other parties as on 30 September 2024 and 30 September 2023 as the Company has practise to issue such letters only once in a year as on 31 December. These balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.
- Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years for development of the Green Hydrogen Hub in the State of Andhra Pradesh. As per the approval of the Board of Directors of the NTPC Limited "the ultimate holding company" and of the Company, an amount of ₹ 10,034.52 Million (net of refund received) incurred by holding company on this land was reimbursed by the Company to the holding company. Entire amount reimbursed is shown under "Right of Use asset" as on 31 March 2024 and 30 September 2024. Amortization of ROU, kept in Capital Work in Progress amounting to ₹ 202.75 Million as on 30 September 2024 and ₹ 50.85 Million as on 31 March 2024, commenced w.e.f. 19 February 2024 taking lease term as 33 years as the identification of underlying assets to be acquired and their useful life is yet to be ascertained by the management.
- Foot-note (a) to Note 2 regarding the title deeds of all the immovable properties, which are included under the head property, plant and equipment, are held in the name of the company as on 30 September 2024 and 30 September 2023 except as follows:

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
(1)	(2)	(3)	(4)	(5)	(6)
Land-Freehold 5,458.05 Acres (5,458.05 Acres)	2381.72 (2381.72)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Land-Freehold 7.85 Acres (Nil)	4.55 (Nil)	Number of land owners	No	Financial Year 2023-24	Pending legal formalities.
Land- Right of Use 8,136.72Acres (8,136.72Acres)	2347.98 (2405)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.

Plant buildings, boundary walls etc.	1027.23 (1,007.20)	NTPC Limited	Promoter	Since 28.02.2023	As stated above, transfer of title deeds of land, over which these assets are constructed, are pending.
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Note: Figures in brackets represents area and amount as on 30 September 2023.

Our opinion on the Interim Consolidated Financial Statements is not modified in respect of these matters.

A. Other Matters

We did not audit the interim standalone financial statements of two subsidiaries, whose interim standalone financial statements (before eliminating intercompany balances / transactions) reflect total assets of ₹1,59,561.36 Million and ₹ 36,511.59 Million as at 30 September 2024 and 30 September 2023 respectively, total revenues of ₹ 785.57 Million and ₹ 0.35 Million and net cash inflows / (outflows) amounting to ₹12,495.85 Million and ₹ (601.19) Million for the six months period ended 30 September 2024 and 30 September 2023 respectively, as considered in the interim consolidated financial statements, whose financial statements have not been audited by us. The Group's share in net loss using the equity method is ₹ 13.75 Million and ₹ Nil for the six months ended 30 September 2024 and 30 September 2023 in respect of one joint venture company whose interim standalone financial statements have not been audited by us. These interim standalone financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the interim consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its joint venture company, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

ii) Auditor's Report on Consolidated Financial Statements for the year ended 31 March 2024

A. Emphasis of Matter:

We draw attention to:

- Note No. 32(a) regarding obtaining periodic balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to certain other parties as on 31 December 2023. Some of such balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.
- Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") for development of the Green Hydrogen Hub in Andhra Pradesh whereas this land was earlier on lease with NTPC Limited ("Ultimate Holding Company") since year 2014 and APIIC now agreed for transfer of allotment in the name of the Holding Company. As per the approval of the Board of Directors of the Ultimate holding Company and of the Holding Company, an amount of ₹10,034.52 Million (net of refund received) incurred by ultimate holding company till date was reimbursed by the Holding Company to the Ultimate Holding Company which includes down payment of lease charges of ₹7284.60 Million and various other charges, including interest on unpaid dues of land, GST on interest paid, restoration charges and various other amounts, aggregating to ₹2,749.92 Million. Entire amount reimbursed is shown under "Right of Use asset" as on 31 March 2024. Amortization of ROU commenced w.e.f. 19 February 2024 taking lease term as 33 years as useful life of underlying asset is not ascertainable at this stage.

Our opinion is not modified in respect of these matters.

B. Key Audit Matters:

Key Audit Matter	How our audit addressed the key audit matter
<p>Impairment assessment of Property, Plant and Equipment (PPE)</p> <p>The Company has a material operational asset base (PPE) relating to generation of electricity.</p> <p>We considered this as a key audit matter as the carrying value of PPE requires impairment assessment based on the future expected cash flows associated with the power plants (Cash Generating Units). (Refer Note No. 39 to the Restated Consolidated Financial Information, read with the Material Accounting Policy No. 1C.15)</p>	<ul style="list-style-type: none"> <li>- Read the Company's Material Accounting Policy with respect to impairment in accordance with Ind AS 36 "Impairment of Assets".</li> <li>- We have obtained an understanding and tested the design and operating effectiveness of controls as established by the Company's management for impairment assessment of PPE.</li> <li>- We evaluated the Company's process of impairment assessment in assessing the appropriateness of the impairment model including the independent assessment of discount rate, projected generation, power purchase agreements period etc.</li> <li>- We evaluated and checked the calculations of the cash flow forecasts prepared by the Company taking into consideration the Tariff rates applicable for the tariff period of 25 years from commencement of operations of assets along with the aforementioned assumptions.</li> <li>- Based on the above procedures performed, we observed that the Company's impairment assessment of the PPE is adequate and reasonable.</li> </ul>

C. Other Matters

1. The Consolidated Financial Statements of the Group for the year ended 31 March 2023, prepared in accordance with Ind AS have been audited by the predecessor auditor. The report of the predecessor auditor dated 15 May 2023 expressed an unmodified opinion.
2. We did not audit the financial statements / financial information of both the Subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 1,03,352.13 Million as at 31 March 2024, total revenue of ₹ 115.07 Million and net cash outflows amounting to ₹ 604.30 Million for the year ended on that date, as considered in the Consolidated Financial Statements. The Group's share in net loss using the equity method is ₹ 0.02 Million for the year ended 31 March 2024 in respect of one joint venture company whose financial statements have not been audited by us. These financial statements have been audited by their respective independent auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors and the procedures performed by us as stated in Auditors' Responsibility section above after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters as stated in (1) & (2) above, with respect to our reliance on the work done and the reports of the other auditors, the financial statements/ financial information certified by the Holding Company's Management.

D. Report on Other Legal and Regulatory Requirements:

Companies (Auditor's Report) Order, 2020 ("CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act:

1. Paragraph No 3(xiv)(a) in CARO Report on Standalone Financial Statements of the Company:

“In our opinion and based on our examination, internal audit system needs improvement, in terms of (i) frequency of reporting, which is annual at present (ii) adequate coverage of operational activities/ areas of business conducted by the Company and (iii) adequate coverage of transaction audit including year-end material transactions, to make it commensurate with the size and nature of its business”.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on the separate financial statements and other financial information of subsidiaries and joint venture as mentioned in the ‘Other Matters’ paragraph, we report, to the extent applicable, that:

Except for the following matter relating to holding company, 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.

“Employee benefit expenses including various allowances, benefit and other reimbursements to employees e.g. medical expenses, foreign / inland travelling expenses etc. amounting to ₹381.14 Million, relating to employees of NTPC Limited (ultimate holding company) on secondment with the Company, have been posted directly in the books of account of the Company by NTPC Limited through its payroll module which is being operated and controlled by NTPC Limited. We are informed that all the relevant details & supporting documents w. r. t. these expenses are maintained by NTPC only and the Company receives employee-wise details of net payments to be made & TDS to be deposited monthly. Accordingly, no details / documents were made available to us for our audit purposes”.

E. Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

- (i) Regarding operating effectiveness of internal financial controls with reference to Consolidated Financial Statements for the year ended 31 March 2024, we report as under:

1. Even though the reconciliation statements are prepared quarterly and signed by the Holding Company and customer (trade receivables), balance confirmation letters are not being sent to customers. In our opinion, balance confirmation should also be sought from customers annually. Refer Note No. 32(a).
2. Employee benefit expenses including various allowances, benefit, and other reimbursements to employees of NTPC Limited (“Ultimate Holding Company”) on secondment with the Holding Company, are being posted directly in the books of account of the Holding Company by NTPC Limited through its payroll module which is being operated and controlled by NTPC Limited. We are informed that all the relevant details & supporting documents w. r. t. these expenses are maintained by NTPC only and the Holding Company receives employee-wise details of net payments to be made & TDS to be deposited monthly which results in no verification of these expenses by the Holding Company.
3. As per Ind AS 16 “Property, Plant and Equipment” (“PPE”), Items of spare parts, stand-by equipment and servicing equipment which meet the definition of PPE are to be capitalized. Even though procedure exists for identification / codification of such items, however, no item-wise consolidated list of such identified items, has been prepared by the Holding Company. In our opinion, a consolidated list of identified items to be classified as PPE should be compiled and updated at regular intervals to ensure that no such item is classified and held as inventory at the year end.

(ii) **Other Matters relating to Internal Financial Control:**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated financial Statements of the Holding Company, in so far as it relates to two subsidiaries and one joint venture incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Refer Appendix A.

Our report is not modified in respect of the above matter.

F. C&AG comments on Consolidated Financial Statements

Comments on Consolidated Statement of Cash Flows

Cash Flow from Financing Activities: ₹ 83,111.30 Million



Para 6 of Ind AS 7 stipulates that “Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents” while “Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity”. Expert Advisory Committee of ICAI opined (04 January 2018) on classification of government grants related to assets in the statement of cash flows that receipt of grant related to assets is to be classified under investing activity.

‘Cash flow from Financing Activities’ includes ₹ 6,403.25 Million on account of capital grant received from Solar Energy Corporation of India under MNRE scheme for setting up for Solar PV Power Projects to meet out the capital expenditure. Against the above said EAC opinion, the company classified this grant under ‘Cash Flow from Financing Activities,’ instead of under ‘Cash Flow from Investing Activities.’

This resulted in overstatement of ‘Cash Flow from Financing Activities’ and understatement of ‘Cash Flow from Investing Activities’ by ₹ 6,403.25 Million each.

iii) Auditor’s Report on Consolidated Financial Statements for the year ended 31 March 2023

A. Other Matters

- a. We did not audit the financial statements/financial information of the subsidiary included in the Consolidated Financial Statements, whose consolidated financial statements reflects total Assets of ₹ 26,494.93 Million and Total Equity ₹10,897.59 Million as at 31 March, 2023; total Income of ₹ 0.36 Million, total comprehensive loss of ₹ 13.56 Million and Net Cash Inflows amounting to ₹ 562.96 Million for the period ended on that date, as considered in the Consolidated Financial Statements. These consolidated financial statements have been audited by their respective independent auditors whose reports have been furnished to us by the management and our opinion on the statement, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors and the procedures performed by us are as stated in Auditor’s Responsibility section above after considering the requirement of Standards on Auditing (SA 600) on “Using the work of Another Auditor” including materiality.
- b. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters as stated in para (a) above, with respect to our reliance on the work done and reports of the other auditors, the financial statements/ financial information certified by the Holding Company’s Management.
- c. The Property, Plant & Equipment has been transferred to the company by its listed holding company (i.e. NTPC Limited) on 28 February 2023. We have accordingly relied upon the statutory auditors of the transferor (i.e. NTPC Limited) who have confirmed that the management of the transferor company has physically verified these Property, Plant & Equipment, at reasonable intervals: and no material discrepancies were noticed on such verification.
- d. The inventory has been transferred to the company by its listed holding company (i.e. NTPC Limited) on 28 February, 2023. We have accordingly relied upon the statutory auditor of the transferor (i.e. NTPC Limited) who have confirmed that the management of the transferor company has physically verified these inventories, at reasonable intervals and the coverage and procedure of such verification by the management was appropriate; and no material discrepancies were noticed on such verification

B. C&AG Comments on Consolidated Financial Statement

Current Assets – Other Financial Assets (Note 10) - ₹ 3,922.06 Million

Para 8.1.12 of Guidance Note on Division II - Ind AS Schedule III, Companies Act 2013, inter-alia states that Capital advances are advances given for procurement of Property, Plant and Equipment, which are non-current assets; typically, companies do not expect to realize them in cash, rather, over the period, these get converted into Property, Plant and Equipment; hence, capital advances should be treated as other non-current assets irrespective of when the Property, Plant and Equipment are expected to be received. 'Other Financial Assets', however, includes ₹116.06 Million deposited by the company with NTPC Limited in respect of transfer of land pockets in respect of Rojmal and Jetsar solar projects, which in view of the above said Para 8.1.12 should be classified as Capital Advances under Non-Current Assets.

'Other Financial Assets' is therefore overstated and Capital Advances under 'Other Non-Current Assets' (Note 6) is understated, each by ₹116.06 Million.

**RESTATED CONSOLIDATED BALANCE SHEET**

Particulars	Note No.	Amount in ₹ Million			
		As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	2	1,90,761.28	1,51,660.97	1,75,729.97	1,47,581.23
Capital work-in-progress	3	90,305.09	19,140.20	71,380.71	17,493.45
Intangible assets	4	-	-	-	-
Investments accounted for using equity method	4A	166.73	0.50	0.48	-
Financial assets					
Other financial assets	5	849.67	801.05	825.03	777.69
Other non-current assets	6	21,454.63	12,471.28	11,589.94	10,522.04
<b>Total non-current assets</b>		<b>3,03,537.40</b>	<b>1,84,074.00</b>	<b>2,59,526.13</b>	<b>1,76,374.41</b>
<b>Current assets</b>					
Inventories	7	283.67	96.99	245.03	93.00
Financial assets					
Trade receivables	8	4,610.73	5,103.27	7,048.14	3,254.98
Cash and cash equivalents	9	12,522.53	25.61	1,156.27	727.46
Bank balances other than cash and cash equivalents	9A	2,031.88	4,289.03	3,565.16	-
Other financial assets	10	658.66	4,828.75	439.48	3,806.00
Other current assets	11	438.14	183.11	84.01	58.10
<b>Total current assets</b>		<b>20,545.61</b>	<b>14,526.76</b>	<b>12,538.09</b>	<b>7,939.54</b>
<b>TOTAL ASSETS</b>		<b>3,24,083.01</b>	<b>1,98,600.76</b>	<b>2,72,064.22</b>	<b>1,84,313.95</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	12	75,000.00	47,196.11	57,196.11	47,196.11
Other equity	13	6,891.82	3,759.72	5,125.31	1,678.21
<b>Total equity attributable to owners of the Company</b>		<b>81,891.82</b>	<b>50,955.83</b>	<b>62,321.42</b>	<b>48,874.32</b>
Non-controlling interests	14	918.18	0.69	0.69	0.58
<b>Total equity</b>		<b>82,810.00</b>	<b>50,956.52</b>	<b>62,322.11</b>	<b>48,874.90</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
Borrowings	15	1,64,021.91	91,021.39	1,21,645.11	52,435.31
Lease liabilities	16	9,027.09	6,875.27	9,782.65	6,842.16
Deferred tax liabilities (net)	17	13,010.30	11,591.20	12,299.60	10,864.90
Other non-current liabilities	18	19,425.65	17,625.95	19,343.58	16,945.90
<b>Total non-current liabilities</b>		<b>2,05,484.95</b>	<b>1,27,113.81</b>	<b>1,63,070.94</b>	<b>87,088.27</b>
<b>Current liabilities</b>					
Financial liabilities					
Borrowings	19	6,553.05	6,206.90	6,322.29	1,743.10
Lease liabilities	20	842.63	370.90	809.24	349.48
Trade payables	21				
Total outstanding dues of micro and small enterprises		74.31	88.41	97.03	129.00
Total outstanding dues of creditors other than micro and small enterprises		844.41	467.22	527.79	893.70
Other financial liabilities	22	26,539.66	12,609.61	37,901.89	44,489.01
Other current liabilities	23	933.20	787.39	1,012.13	746.49
Provisions	24	0.80	-	0.80	-
<b>Total current liabilities</b>		<b>35,788.06</b>	<b>20,530.43</b>	<b>46,671.17</b>	<b>48,350.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,24,083.01</b>	<b>1,98,600.76</b>	<b>2,72,064.22</b>	<b>1,84,313.95</b>

Material accounting policies

1

The accompanying notes 1 to 54 form an integral part of these restated consolidated financial statements.

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

As per our report of even date attached

**For P. R. Mehra & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 000051N**

(CA. Ashok Malhotra)  
**Partner**  
**Membership No. 082648**  
**Date: 30/10/2024**  
**Place: New Delhi**

**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

Amount in ₹ Million

Particulars	Note No.	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Income</b>					
Revenue from operations	25	10,822.91	10,083.21	19,625.98	1,696.90
Other income	26	504.48	128.16	750.59	9.41
<b>Total income</b>		<b>11,327.39</b>	<b>10,211.37</b>	<b>20,376.57</b>	<b>1,706.31</b>
<b>Expenses</b>					
Employee benefits expense	27	306.60	159.16	370.14	28.07
Finance costs	28	3,778.15	3,356.89	6,905.73	498.72
Depreciation and amortization expenses	29	3,578.28	3,109.37	6,427.58	499.06
Other expenses	30	1,186.91	777.95	1,791.12	155.02
<b>Total expenses</b>		<b>8,849.94</b>	<b>7,403.37</b>	<b>15,494.57</b>	<b>1,180.87</b>
<b>Profit before share of profits of joint ventures accounted for using equity method</b>		<b>2,477.45</b>	<b>2,808.00</b>	<b>4,882.00</b>	<b>525.44</b>
Add: Share of profits of joint ventures accounted for using equity method		(13.75)	-	(0.02)	-
<b>Profit before tax</b>		<b>2,463.70</b>	<b>2,808.00</b>	<b>4,881.98</b>	<b>525.44</b>
<b>Tax expense</b>	35				
Current tax					
Current year		-	0.08	0.07	0.06
Deferred tax		710.70	726.30	1,434.70	(1,186.90)
<b>Total tax expense</b>		<b>710.70</b>	<b>726.38</b>	<b>1,434.77</b>	<b>(1,186.84)</b>
<b>Profit for the year</b>		<b>1,753.00</b>	<b>2,081.62</b>	<b>3,447.21</b>	<b>1,712.28</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>1,753.00</b>	<b>2,081.62</b>	<b>3,447.21</b>	<b>1,712.28</b>
<b>Profit attributable to:</b>					
Owners of the parent company		1,766.51	2,081.51	3,447.10	1,712.19
Non-controlling interest		(13.51)	0.11	0.11	0.09
<b>Total comprehensive income attributable to:</b>					
Owners of the parent company		1,766.51	2,081.51	3,447.10	1,712.19
Non-controlling interest		(13.51)	0.11	0.11	0.09
<b>Earnings per equity share (Par value ₹ 10/- each)</b>	38				
Basic (₹)		0.30	0.44	0.73	4.66
Diluted (₹)		0.30	0.44	0.73	4.66

Material accounting policies

1

The accompanying notes 1 to 54 form an integral part of these restated consolidated financial statements.

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

As per our report of even date attached

**For P. R. Mehra & Co.**  
Chartered Accountants  
Firm Reg. No. 000051N

(CA. Ashok Malhotra)  
Partner  
Membership No. 082648  
Date: 30/10/2024  
Place: New Delhi

**RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**(A) Equity share capital**

**For the Six months ended 30 Sep 2024**

Amount in ₹ Million

Particulars	Amount
Balance as at 1 April 2024	57,196.11
Changes in equity share capital due to prior period errors	-
Restated balance as at 1 April 2024	57,196.11
Changes in equity share capital during the period	17,803.89
Balance as at 30 Sep 2024	75,000.00

**For the Six months ended 30 Sep 2023**

Amount in ₹ Million

Particulars	Amount
Balance as at 1 April 2023	47,196.11
Changes in equity share capital due to prior period errors	-
Restated balance as at 1 April 2023	47,196.11
Changes in equity share capital during the period	-
Balance as at 30 Sep 2023	47,196.11

**For the year ended 31 March 2024**

Amount in ₹ Million

Particulars	Amount
Balance as at 1 April 2023	47,196.11
Changes in equity share capital due to prior period errors	-
Restated balance as at 1 April 2023	47,196.11
Changes in equity share capital during the year	10,000.00
Balance as at 31 March 2024	57,196.11

**For the Period 07 April 2022 to 31 March 2023**

Amount in ₹ Million

Particulars	Amount
Balance as at 7 April 2022	-
Changes in equity share capital due to prior period errors	-
Restated balance as at 7 April 2022	-
Changes in equity share capital during the period	47,196.11
Balance as at 31 March 2023	47,196.11

**(B) Other equity**

**For the Six months ended 30 Sep 2024**

Amount in ₹ Million

Particulars	Reserves & surplus	Non-controlling interests	Total
	Retained earnings		
Attributable to owners of the parent company			
Balance as at 1 April 2024	5,125.31	0.69	5,126.00
Profit for the period	1,766.51	(13.51)	1,753.00
Other Comprehensive income	-	-	-
Total comprehensive income	1,766.51	(13.51)	1,753.00
Impact of business combination and additional non-controlling interest arising on acquisition / disposal of interest & other adjustments	-	931.00	-
Balance as at 30 Sep 2024	6,891.82	918.18	6,879.00

**For the Six months ended 30 Sep 2023**

Amount in ₹ Million

Particulars	Reserves & surplus	Non-controlling interests	Total
	Retained earnings		
Attributable to owners of the parent company			
Balance as at 1 April 2023	1,678.21	0.58	1,678.79
Profit for the year	2,081.51	0.11	2,081.62
Other Comprehensive income	-	-	-
Total comprehensive income	2,081.51	0.11	2,081.62
Impact of business combination and additional non-controlling interest arising on acquisition / disposal of interest & other adjustments	-	-	-
Balance as at 30 Sep 2023	3,759.72	0.69	3,760.41

**For the year ended 31 March 2024**

Amount in ₹ Million

Particulars	Reserves & surplus	Non-controlling interests	Total
	Retained earnings		
Attributable to owners of the parent company			
Balance as at 1 April 2023	1,678.21	0.58	1,678.79
Acquisition of interest	-	-	-
Profit for the year	3,447.10	0.11	3,447.21
Other Comprehensive income	-	-	-
Total comprehensive income	3,447.10	0.11	3,447.21
Impact of business combination and additional non-controlling interest arising on acquisition / disposal of interest & other adjustments	-	-	-
Balance as at 31 March 2024	5,125.31	0.69	5,126.00

**For the Period 07 April 2022 to 31 March 2023**

Amount in ₹ Million

Particulars	Reserves & surplus	Non-controlling interests	Total
	Retained earnings		
Attributable to owners of the parent company			
Balance as at 7 April 2022	-	-	-
Acquisition of interest	-	0.49	0.49
Profit for the period	1,712.19	0.09	1,712.28
Other Comprehensive income	-	-	-
Total comprehensive income	1,712.19	0.09	1,712.28
Impact of business combination and additional non-controlling interest arising on acquisition / disposal of interest & other adjustments	(33.98)	-	(33.98)
Balance as at 31 March 2023	1,678.21	0.58	1,678.79

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

As per our report of even date attached

**For P. R. Mehra & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 000051N**

(CA. Ashok Malhotra)  
Partner  
Membership No. 082648  
Date: 30/10/2024  
Place: New Delhi

**RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS**

Amount in ₹ Million

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / ( Loss ) before tax	2,477.45	2,808.00	4,882.00	525.44
<b>Adjustment for:</b>				
Interest Income/Late Payment Surcharge/income from investments received	(337.71)	(127.72)	(580.70)	(9.41)
Finance Costs	3,779.18	3,321.08	6,817.67	492.57
Depreciation & Amortisation expense	3,578.28	3,109.37	6,427.58	499.06
Unwinding of discount on account of vendor liabilities	(1.50)	35.58	87.83	5.95
Deferred Revenue from Government Grants	(327.79)	(313.95)	(650.95)	(49.77)
Provisions	-	-	2.66	-
<b>Operating Profit / (Loss) before working capital changes</b>	<b>9,167.91</b>	<b>8,832.36</b>	<b>16,986.09</b>	<b>1,463.84</b>
Current Liabilities				
Trade Payables	293.90	(568.18)	(397.37)	141.56
Other financial liabilities	(251.52)	3,046.68	3,164.55	(2,111.87)
Other current liabilities	(92.76)	(15.10)	209.65	95.14
Current Assets				
Inventories	(38.64)	(3.99)	(153.89)	24.80
Trade receivables	2,567.44	(1,848.29)	(3,648.93)	681.32
Other Financial Assets	(186.32)	(92.03)	(316.22)	(133.90)
Other Current Assets	(354.13)	(125.03)	(25.93)	11.81
<b>Cash generated from operations</b>	<b>11,105.88</b>	<b>9,226.42</b>	<b>15,817.95</b>	<b>172.70</b>
Income Tax (paid)/refunded	(10.37)	(0.24)	(26.73)	-
<b>Net Cash from/(used in) Operating Activities - A</b>	<b>11,095.51</b>	<b>9,226.18</b>	<b>15,791.22</b>	<b>172.70</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income/Late Payment Surcharge/income from investments received	329.41	127.72	521.53	9.41
Purchase of property, plant and equipment & CWIP	(35,725.64)	(8,643.27)	(84,630.91)	(7,514.43)
Proceeds from Government Grants	254.50	(1,991.64)	6,403.25	3,847.78
Purchase Consideration for acquisition of RE Assets				
Non-current & Current Assets	-	-	-	(1,58,605.00)
Non-Current & Current Liabilities	-	-	-	38,499.50
Acquisition of Subsidiary/JV Company	-	-	-	(10,944.64)
Investment in Joint Venture Companies	(180.00)	(0.50)	(0.50)	-
Other financial assets	(24.64)	(23.36)	(47.33)	(777.69)
Other Non Current Assets	(9,842.17)	794.47	(1,021.61)	(2,715.67)
Other Financial Liabilities (for capital expenditure/assets acquisition)	(11,689.73)	(35,457.50)	(9,715.43)	35,158.27
Income tax paid on income from investing activities	(12.15)	-	(19.66)	(0.53)
Bank balances other than cash and cash equivalents	1,533.28	(4,289.03)	(3,559.80)	-
<b>Net cash flow from/(used in) Investing Activities - B</b>	<b>(55,357.14)</b>	<b>(49,483.11)</b>	<b>(92,070.46)</b>	<b>(1,03,043.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Equity Contribution received	17,803.89	-	10,000.00	50,829.50
Changes in Non-Controlling Interest	931.00	-	-	-
Proceeds from non-current borrowings	45,711.01	43,049.88	76,892.40	53,778.41
Repayment of non-current borrowings	(3,103.45)	-	(3,103.40)	-
Other non-current liabilities	-	-	257.06	-
Payment of lease obligations	(281.82)	(150.65)	(492.22)	(574.70)
Interest Paid	(5,432.74)	(3,344.15)	(6,845.79)	(498.52)
<b>Net Cash flow from/(used in) Financing Activities - C</b>	<b>55,627.89</b>	<b>39,555.08</b>	<b>76,708.05</b>	<b>1,03,534.69</b>
<b>Net increase/(decrease) in Cash &amp; Cash equivalents (A + B + C)</b>	<b>11,366.26</b>	<b>(701.85)</b>	<b>428.81</b>	<b>727.46</b>
<b>Cash &amp; cash equivalents (Opening balance)</b>	<b>1,156.27</b>	<b>727.46</b>	<b>727.46</b>	<b>-</b>
<b>Cash &amp; cash equivalents (Closing balance) (see Note (c) below)</b>	<b>12,522.53</b>	<b>25.61</b>	<b>1,156.27</b>	<b>727.46</b>

**Notes:**

- The Restated Consolidated Statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
- Cash and cash equivalents consist of cheques, drafts in hand, balances with banks and deposits with original maturity of upto three months.
- Cash and cash equivalents included in the cash flow statement comprise of following balance sheet amount as per Note 9:

Balances with Banks	As at 30.09.2024	As at 30.09.2023	As at 31.03.2024	As at 31.03.2023
- In current account	359.51	24.22	1,154.67	176.39
- Deposits with original maturity of upto 3 months	12,163.02	1.39	1.40	551.07
- Cheques and drafts on hand	-	-	0.20	-
<b>Total</b>	<b>12,522.53</b>	<b>25.61</b>	<b>1,156.27</b>	<b>727.46</b>

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

As per our report of even date attached

For P. R. Mehra & Co.  
Chartered Accountants  
Firm Reg. No. 000051N

(CA. Ashok Malhotra)  
Partner  
Membership No. 082648  
Date: 30/10/2024  
Place: New Delhi

## NTPC Green Energy Limited

### Note 1 : Material Accounting Policies Information forming Part of Restated Consolidated Financial Information

#### A. Corporate Information

NTPC Green Energy Limited (the 'Company' or 'Parent Company') is a Company domiciled in India and limited by shares (CIN: U40100DL2022GOI396282). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi - 110003. The company is wholly owned subsidiary of NTPC Limited. The Company was incorporated on 7<sup>th</sup> April 2022. These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in its joint ventures. The main objectives of the Group is to carry on business of power generation through non-conventional / renewable energy sources in all its aspects whether wind, hydro, solar, tidal, geothermal, biomass, wave, waste, hybrid or any other form and production of green molecules etc.

The Group comprises of the following consolidated entities:

Name of Entity	Place of business / country of incorporation	Ownership interest held by the group as at				Principal activities
		30 September 2024	30 September 2023	31 March 2024	31 March 2023	
NTPC Renewable Energy Limited	India	100%	100%	100%	100%	Generation of Energy
Green Valley Renewable Energy Limited	India	51%	51%*	51%	51%*	Generation of Energy
Indian Oil NTPC Green Energy Pvt Ltd	India	50%	50%	50%	-	Generation of Energy

\* The Board of Directors of the Company in its meeting held on 26th Sep 2023 accorded approval to acquire entire equity shareholding of NTPC Renewable Energy Ltd (NTPC REL) in Green Valley Renewable Energy Ltd. (GVREL), a Subsidiary company of NTPC REL in joint venture with Damodar Valley Corporation (DVC) having shareholding in the ratio of 51:49 respectively. Pursuant to signing of Share Purchase agreement and other approvals, GVREL has become subsidiary of the company w.e.f 14th Dec 2023 with 51% equity shareholding.

#### B. Basis of preparation and presentation of Restated Consolidated Financial Information

##### 1. Statement of Compliance with Ind AS and Other Significant Matters

The Restated Consolidated Financial Information of the Group comprise of the Restated Consolidated Balance Sheet of the Company as at 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in



Equity, the Restated Consolidated Statement of Cash Flows for the six months ended on 30 September 2024 and 30 September 2023, for the year ended on 31 March 2024 and for the period 07 April 2022 to 31 March 2023, the Material Accounting Policy Information, and other explanatory notes. These have been prepared specifically for preparation of Restated Consolidated Financial Information which will be used for inclusion in the Red Herring Prospectus (“RHP”) and a Prospectus, and any other documents in relation to the IPO (collectively referred to as “Offer Documents”) to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) and other relevant authorities (including the Stock Exchanges and Registrar of Companies, at Delhi and Haryana ) in connection with the proposed Initial Public Offer (proposed IPO).

The Restated Consolidated Financial Information have been prepared in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”) and
- b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India (“SEBI”) on September 11, 2018, as amended (“the SEBI ICDR Regulations”) in pursuance of the Securities and Exchange Board of India Act, 1992.
- c) The Guidance Note on Reports in Company prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“the ICAI”), as amended from time to time, (“the Guidance Note”).

The Restated Consolidated Financial Information have been compiled from Audited Consolidated Ind AS Financial Statements of the Company as at and for the period ended on 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as “Ind AS”), the provisions of the Electricity Act, 2003 to the extent applicable and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 30 Oct 2024, 17 May 2024 and 15 May 2023 respectively.

The Consolidated Financial Statements of the company as at and for the period ended 31 March 2024 and 31 March 2023 have been subjected to supplementary audit u/s 143(6) or (7) of the Act by the office of the Comptroller and Auditor-General of India (C&AG).

The Restated Consolidated Financial Information is prepared on a going concern basis, on accrual basis of accounting and after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024, for the six months period ended 30 September 2023 and for the period 07 April 2022 to 31 March 2023, to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the six months period ended on 30 September 2024.

## **2. Basis of measurement**

The Restated consolidated financial statements have been prepared on historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer serial no. C.20 of accounting policy regarding financial instruments).

The methods used to measure fair values are discussed in notes to the financial statements.

## **3. Functional and presentation currency**

These Restated consolidated financial statements are presented in Indian Rupees (₹) which is the Company’s functional currency. All financial information presented in Indian Rupees (₹) has been

rounded to the nearest Million (upto two decimals), except when indicated otherwise.

#### **4. Current and non-current classification**

The Group classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

### **C. Material accounting policies**

A summary of the material accounting policies applied in the preparation of the Restated consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the Restated consolidated financial statements.

#### **1. Basis of consolidation**

The financial statements of subsidiary companies and joint venture companies are drawn up to the same reporting date as of the Company for the purpose of consolidation.

##### **1.1. Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiaries are fully consolidated from the date on which control is acquired by the Group and are continued to be consolidated until the date that such control ceases.

**Non-controlling interests (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. A change in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions**

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in statement of profit and loss. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets and liabilities of the subsidiary i.e. reclassified to consolidated statement of profit and loss or transferred to equity as specified by applicable Ind AS. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

##### **1.2. Joint ventures**

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

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income (OCI) of the investee in OCI. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, which includes any long term interest that, in substance, form part of Group investment in joint venture, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture. Losses recognized using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate or a joint venture in the reverse order of their seniority i.e. priority in liquidation.

The statement of profit and loss reflects the Group's share of results of operations of the joint venture. Any change in the OCI of those investee is presented as presented as part of the Group OCI. Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. When necessary, adjustments are made to the financial statements of joint ventures to bring their accounting policies into line with the Group's accounting policies.

The carrying amount of equity accounted as investments are tested for impairment in accordance with the policy described in D.7 below.

When the Group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amounts previously recognized in OCI in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in OCI are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognized in OCI are reclassified to profit or loss where appropriate.

## **2. Property, plant and equipment**

### **2.1. Initial recognition and measurement**

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost.. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of

property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Group to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

## **2.2. Subsequent costs**

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Group uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

## **2.3. De-recognition**

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

## **2.4. Depreciation/amortization**

Depreciation on the assets of the generation of electricity business covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the assets of the power plants and on the assets of Corporate & other offices of the Company not governed by CERC Tariff Regulations is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013 except for the assets referred below.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutcha roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year

e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years
g) Furniture, Fixture, Office equipment and Communication equipment	5-15 years

Capital spares are depreciated considering the useful life up to 25 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Group and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Refer policy no. C.14 in respect of depreciation/amortization of right-of-use assets other than land and buildings.

### **3. Capital work-in-progress**

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

### **4. Intangible assets and intangible assets under development**

#### **4.1. Initial recognition and measurement**

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

#### **4.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is

probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

#### **4.3. De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

#### **4.4. Amortization**

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

### **5. Borrowing costs**

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– ‘Leases’.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred

The Group can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalisation. However, the Group does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

### **6. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average basis.

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete,

unserviceable, surplus spares is ascertained and provided for.

## **7. Government grants**

Government grants are recognized when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

## **8. Provisions, contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

## **9. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange

differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in OCI.

## **10. Revenue**

Group's revenues arise from sale of energy, consultancy, project management & supervision services, and other income. Revenue from other income comprises interest from banks, contractors etc., dividend from investments in joint venture & subsidiary companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

### **10.1. Revenue from sale of energy**

A portion of Revenue from sale of energy is accounted for based on tariff rates approved by the CERC. In such cases, Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Revenue from sale of energy saving certificates/carbon credits is accounted for as and when sold.

### **10.2. Revenue from services**

Revenue from consultancy, project management and supervision services rendered is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services, which is determined on output method and excludes amounts collected on behalf of third parties. The Group recognizes revenue when the performance obligation is satisfied, which typically occurs when control over the services is transferred to a customer.

Reimbursement of expenses is recognized as other income, as per the terms of the service contracts.



Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

### **10.3. Other income**

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

## **11. Employee benefits**

The employees of the Group are on secondment from NTPC Limited (the parent company). Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of arrangement with the Parent Company, the Group is required to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Group. Accordingly, these employee benefits are treated as defined contribution schemes.

## **12. Other expenses**

Expenses on training & recruitment are charged to the Statement of Profit and Loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance/winning of project under tender based competitive bidding system are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

## **13. Income tax**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or

equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

When there is uncertainty regarding income tax treatments, the Group assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Group evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

## **14. Leases**

### **As lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and buildings) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment whether it will exercise an extension or a termination option.

## **15. Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

## **16. Operating segments**

In accordance with Ind AS 108-'Operating segments', the operating segments used to present

segment information are identified on the basis of internal reports used by the Group's management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

## **17. Dividends**

Dividends and interim dividends payable to the Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

## **18. Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

## **19. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

## **20. Statement of cash flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-'Statement of cash flows'.

## **21. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

### **21.1. Financial assets**

#### **Initial recognition and measurement**

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

#### **Subsequent measurement**

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments

of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Business model assessment**

The Group holds financial assets which arise from its ordinary course of business. The objective of the business model for these financial assets is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

### **Investment in Equity instruments**

Equity investments in subsidiaries and joint venture companies are accounted at cost less impairment, if any.

The Group reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

### **De-recognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

### **Impairment of financial assets**

In accordance with Ind AS 109-'Financial instruments', the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Lease receivables under Ind AS 116.
- (c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

For trade receivables and contract assets/unbilled revenue, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the

instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

## **21.2. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Group's financial liabilities include trade and other payables, borrowings.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **De-recognition**

A financial liability is derecognized 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 de-recognition of the original liability and the

recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **21.3. Offsetting of financial assets and financial liabilities**

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

## **22. Non -Current Assets Held for Sale**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered 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 held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

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

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.14.

## **D. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

### **1. Formulation of accounting policies**

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

### **2. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### **3. Recoverable amount of property, plant and equipment and intangible assets**

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

### **4. Revenues**

The Group records a part of revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

### **5. Leases not in legal form of lease**

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

### **6. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37,- 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

### **7. Impairment test of investments in Subsidiaries and Joint Venture Companies**

The recoverable amount of investment in subsidiaries and joint venture companies is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Group. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

### **8. Income taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

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2. Non-current assets - Property, plant and equipment

As at 30 Sep 2024

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million	
	As at		Deductions/ adjustments	As at	As at		For the period	Deductions/ adjustments	Upto 30 Sep 2024	Net block
	1 April 2024	Additions			30 Sep 2024	1 April 2024				30 Sep 2024
Land (including development expenses)										
Freehold	4,399.19	401.36	-	4,800.55	-	-	-	-	4,800.55	
Right of use	24,840.49	610.50	(1,113.33)	24,337.66	1,040.67	384.75	-	1,425.42	22,912.24	
Roads, bridges, culverts and helpads	284.95	27.73	-	312.68	72.40	121.17	-	193.57	119.11	
Building										
Freehold										
Main plant	394.26	41.18	-	435.44	23.49	7.73	-	31.22	404.22	
Others	667.02	65.36	-	732.38	53.65	13.19	-	66.84	665.54	
Right of use	95.10	-	-	95.10	48.82	23.24	-	72.06	23.04	
Temporary erections	40.16	0.29	-	40.45	40.16	0.06	-	40.22	0.23	
Water supply, drainage and sewerage system	124.43	7.00	-	131.43	29.94	12.40	-	42.34	89.09	
Plant and equipment										
Owned	1,67,299.58	17,102.63	(0.09)	1,84,402.12	22,425.30	3,325.47	-	25,750.77	1,58,651.35	
Right of use	-	-	-	-	-	-	-	-	-	
Furniture and fixtures	3.34	15.76	-	19.10	2.47	0.67	-	3.14	15.96	
Office equipment	2.94	0.06	-	3.00	2.12	0.09	-	2.21	0.79	
EDP, WP machines and satcom equipment	6.39	13.62	-	20.01	4.42	0.97	-	5.39	14.62	
Electrical installations	1,316.95	1,788.47	-	3,105.42	13.13	37.61	-	50.74	3,054.68	
Communication equipment	28.30	-	-	28.30	16.56	1.88	-	18.44	9.86	
<b>Total</b>	<b>1,99,503.10</b>	<b>20,073.96</b>	<b>(1,113.42)</b>	<b>2,18,463.64</b>	<b>23,773.13</b>	<b>3,929.23</b>	<b>-</b>	<b>27,702.36</b>	<b>1,90,761.28</b>	

As at 30 Sep 2023

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million	
	As at		Deductions/ adjustments	As at	As at		For the period	Deductions/ adjustments	Upto 30 Sep 2023	Net block
	1 April 2023	Additions			30 Sep 2023	1 April 2023				30 Sep 2023
Land (including development expenses)										
Freehold	3,318.43	162.43	-	3,480.86	-	-	-	-	3,480.86	
Right of use	9,273.21	72.07	-	9,345.28	569.84	168.70	-	738.54	8,606.74	
Roads, bridges, culverts and helpads	255.48	8.72	-	264.20	20.72	12.31	-	33.03	231.17	
Building										
Freehold										
Main plant	374.82	2.27	-	377.09	9.04	7.14	-	16.18	360.91	
Others	621.39	4.83	0.87	627.09	27.93	11.91	0.50	40.34	586.75	
Right of use	3.02	-	-	3.02	2.34	0.22	-	2.56	0.46	
Temporary erections	42.01	-	(0.87)	41.14	38.47	2.39	(0.50)	40.36	0.78	
Water supply, drainage and sewerage system	86.29	21.87	-	108.16	6.86	9.90	-	16.76	91.40	
Plant and equipment										
Owned	1,50,523.93	7,026.05	-	1,57,549.98	16,284.31	3,010.65	-	19,294.96	1,38,255.02	
Furniture and fixtures	3.13	-	-	3.13	2.24	0.12	-	2.36	0.77	
Office equipment	2.89	0.03	-	2.92	1.92	0.08	-	2.00	0.92	
EDP, WP machines and satcom equipment	4.57	-	-	4.57	3.94	0.14	-	4.08	0.49	
Electrical installations	25.70	8.31	-	34.01	1.67	1.33	-	3.00	31.01	
Communication equipment	28.30	-	-	28.30	12.66	1.95	-	14.61	13.69	
<b>Total</b>	<b>1,64,563.17</b>	<b>7,306.58</b>	<b>0.00</b>	<b>1,71,869.75</b>	<b>16,981.94</b>	<b>3,226.84</b>	<b>-</b>	<b>20,208.78</b>	<b>1,51,660.97</b>	

**As at 31 March 2024**

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million
									Net block
	As at 1 April 2023	Additions	Deductions/ adjustments	As at 31 March 2024	As at 1 April 2023	For the year	Deductions/ adjustments	Upto 31 March 2024	As at 31 March 2024
Land (including development expenses)									
Freehold	3,318.43	1,080.76	-	4,399.19	-	-	-	-	4,399.19
Right of use	9,273.21	15,567.28	-	24,840.49	569.84	470.83	-	1,040.67	23,799.82
Roads, bridges, culverts and helipads	255.48	29.47	-	284.95	20.72	51.68	-	72.40	212.55
Building									
Freehold									
Main plant	374.82	19.44	-	394.26	9.04	14.45	-	23.49	370.77
Others	621.39	43.78	1.85	667.02	27.93	24.23	1.49	53.65	613.37
Right of use	3.02	92.08	-	95.10	2.34	46.48	-	48.82	46.28
Temporary erections	42.01	-	(1.85)	40.16	38.47	3.18	(1.49)	40.16	-
Water supply, drainage and sewerage system	86.29	38.14	-	124.43	6.86	23.08	-	29.94	94.49
Plant and equipment									
Owned	1,50,523.93	16,775.65	-	1,67,299.58	16,284.31	6,140.99	-	22,425.30	1,44,874.28
Furniture and fixtures	3.13	0.21	-	3.34	2.24	0.23	-	2.47	0.87
Office equipment	2.89	0.05	-	2.94	1.92	0.20	-	2.12	0.82
EDP, WP machines and satcom equipment	4.57	1.82	-	6.39	3.94	0.48	-	4.42	1.97
Electrical installations	25.70	1,291.25	-	1,316.95	1.67	11.46	-	13.13	1,303.82
Communication equipment	28.30	-	-	28.30	12.66	3.90	-	16.56	11.74
<b>Total</b>	<b>1,64,563.17</b>	<b>34,939.93</b>	<b>-</b>	<b>1,99,503.10</b>	<b>16,981.94</b>	<b>6,791.19</b>	<b>-</b>	<b>23,773.13</b>	<b>1,75,729.97</b>

**As at 31 March 2023**

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million
									Net block
	As at 1 April 2022	Additions	Deductions/ adjustments	As at 31 March 2023	As at 1 April 2022	For the period	Deductions/ adjustments	Upto 31 March 2023	As at 31 March 2023
Land (including development expenses)									
Freehold	-	434.39	2,884.04	3,318.43	-	-	-	-	3,318.43
Right of use	-	6,453.48	2,819.73	9,273.21	-	225.57	344.27	569.84	8,703.37
Roads, bridges, culverts and helipads	-	1.53	253.95	255.48	-	1.95	18.77	20.72	234.76
Building									
Freehold									
Main plant	-	-	374.82	374.82	-	1.19	7.85	9.04	365.78
Others	-	1.40	619.99	621.39	-	1.97	25.96	27.93	593.46
Right of use	-	-	3.02	3.02	-	-	2.34	2.34	0.68
Temporary erections	-	-	42.01	42.01	-	0.47	38.00	38.47	3.54
Water supply, drainage and sewerage system	-	1.42	84.87	86.29	-	1.33	5.53	6.86	79.43
Plant and equipment									
Owned	-	(14.11)	1,50,538.04	1,50,523.93	-	483.09	15,801.22	16,284.31	1,34,239.62
Furniture and fixtures	-	-	3.13	3.13	-	-	2.24	2.24	0.89
Office equipment	-	0.45	2.44	2.89	-	0.02	1.90	1.92	0.97
EDP, WP machines and satcom equipment	-	-	4.57	4.57	-	-	3.94	3.94	0.63
Electrical installations	-	-	25.70	25.70	-	0.18	1.49	1.67	24.03
Communication equipment	-	-	28.30	28.30	-	0.33	12.33	12.66	15.64
<b>Total</b>	<b>-</b>	<b>6,878.56</b>	<b>1,57,684.61</b>	<b>1,64,563.17</b>	<b>-</b>	<b>716.10</b>	<b>16,265.84</b>	<b>16,981.94</b>	<b>1,47,581.23</b>

- a) The conveyancing of the title to 5465.90 acres of freehold land of value ₹ 2386.27 Million (30 September 2023: 5458.05 acres of value ₹ 2381.72 Million, 31 March 2024: 5468.21 acres of value ₹ 2387.61 Million ; 31 March 2023: 5458.71 acres of value ₹ 2381.72 Million) and execution of lease agreements for 8136.72 acres of right of use land of value ₹ 2347.98 Million (30 September 2023: 8136.72 acres of value ₹ 2405 Million, 31 March 2024: 8136.72 acres of value ₹ 2491.23 Million ; 31 March 2023: 7428.29 acres of value ₹ 2405 Million) in favour of the Group are awaiting completion of legal formalities. Further, conveyancing of title to Building of value ₹ 1,027.23 Million (30 September 2023: ₹ 1,007.20 Million, 31 March 2024: ₹ 1,024.42 Million ; 31 March 2023: ₹ 999.23 Million) are awaiting completion of legal formalities as stated above.
- b) During the year FY 23-24, Company acquired 1200 acres of land at Pudimadaka in the state of Andhra Pradesh through NTPC Ltd at consideration of ₹ 10,034.52 Million (Net of Refund). The company entered into lease agreement with Andhra Pradesh Industrial Infrastructure Corporation Ltd. for 33 years specifying upfront cost of ₹ 7284.60 Million and annual lease rent of ₹ 1/- per acre per annum. This land is included under Right to Use Assets.
- c) The Right of use land is capitalised at the present value of land lease/charges. Refer Note 48 regarding property, plant and equipment under leases.
- d) Spare parts of ₹ 0.5 millions and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized.
- e) Property, plant and equipment costing ₹ 5,000/- or less, are depreciated fully in the year of acquisition.
- f) Gross carrying amount of the fully depreciated/amortised property, plant and equipment that are still in use:

	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Roads, bridges ,culverts and helipads	58.87	3.24	3.24	3.24
Other building	3.37	2.38	3.37	2.38
Furniture and fixtures	1.12	1.05	1.11	0.92
Other office equipment	1.97	1.83	1.87	1.84
EDP, WP machines and satcom equipment	3.58	3.17	3.58	2.99
Electrical installations	0.65	0.65	0.65	0.65
Communication equipment	5.30	1.81	2.39	2.39
Temporary erections	40.32	36.43	40.16	36.33
Others	2.01	2.17	0.22	2.37
	<b>117.19</b>	<b>52.73</b>	<b>56.59</b>	<b>53.11</b>

- g) For the period ended 31 March 2023, the Deductions/adjustments Column in Gross block & Depreciation and amortization primarily included Property, plant & equipment acquired from NTPC Ltd.

**3. Non-current assets - Capital work-in-progress**

**As at 30 Sep 2024**

Particulars	Amount in ₹ Million				
	As at 1 April 2024	Additions	Deductions/ adjustments	Capitalized	As at 30 Sep 2024
Roads, bridges, culverts and helipads	-	802.02	-	-	802.02
Buildings					
Freehold					
Main plant	-	-	-	-	-
Others	-	11.21	-	11.21	-
Plant and equipment - owned	59,374.55	41,088.06	(20.73)	18,998.37	81,443.51
Furniture and fixtures	-	16.39	-	15.76	0.63
Office equipment	-	0.38	-	-	0.38
EDP/WP machines and satcom equipment	-	-	-	-	-
Construction equipment	0.58	-	-	-	0.58
	<u>59,375.13</u>	<u>41,918.06</u>	<u>(20.73)</u>	<u>19,025.34</u>	<u>82,247.12</u>
<b>Expenditure pending allocation</b>					
Expenditure during construction period (net)*	4,945.52	3,611.28	-	-	8,556.80
Other expenditure directly attributable to project construction	712.92	-	-	-	712.92
Less: Allocated to related works	625.49	767.73	-	-	1,393.22
	<u>5,032.95</u>	<u>2,843.55</u>	<u>-</u>	<u>-</u>	<u>7,876.50</u>
Sub-total	64,408.08	44,761.61	(20.73)	19,025.34	90,123.62
Construction stores (net of provisions)	6,972.63	61.68	(6,852.84)	-	181.47
<b>Total</b>	<u>71,380.71</u>	<u>44,823.29</u>	<u>(6,873.57)</u>	<u>19,025.34</u>	<u>90,305.09</u>

**As at 30 Sep 2023**

Particulars	Amount in ₹ Million				
	As at 1 April 2023	Additions	Deductions/ adjustments	Capitalized	As at 30 Sep 2023
Buildings					
Freehold					
Main plant	-	-	-	-	-
Others	-	38.22	-	38.22	-
Plant and equipment - owned	14,539.24	7,633.52	-	7,033.86	15,138.90
Office equipment	-	0.02	-	-	0.02
	<u>14,539.24</u>	<u>7,671.76</u>	<u>-</u>	<u>7,072.08</u>	<u>15,138.92</u>
<b>Expenditure pending allocation</b>					
Expenditure during construction period (net)*	2,246.17	936.35	-	-	3,182.52
Other expenditure directly attributable to project construction	712.92	-	-	-	712.92
Less: Allocated to related works	28.18	23.26	-	-	51.44
	<u>2,930.91</u>	<u>913.09</u>	<u>-</u>	<u>-</u>	<u>3,844.00</u>
Sub-total	17,470.15	8,584.85	-	7,072.08	18,982.92
Construction stores (net of provisions)	23.30	92.41	41.57	-	157.28
<b>Total</b>	<u>17,493.45</u>	<u>8,677.26</u>	<u>41.57</u>	<u>7,072.08</u>	<u>19,140.20</u>

**As at 31 March 2024**

Particulars	Amount in ₹ Million				
	As at 1 April 2023	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2024
<b>Buildings</b>					
Freehold					
Main plant	-	-	-	-	-
Others	-	87.19	-	87.19	-
Plant and equipment - owned	14,539.24	62,945.87	-	18,110.56	59,374.55
Construction equipment	-	0.58	-	-	0.58
	<u>14,539.24</u>	<u>63,033.64</u>	<u>-</u>	<u>18,197.75</u>	<u>59,375.13</u>
<b>Expenditure pending allocation</b>					
Survey, investigation, consultancy and supervision charges	-	-	-	-	-
Pre-commissioning expenses (net)	-	-	-	-	-
Expenditure during construction period (net)*	2,246.17	2,699.35	-	-	4,945.52
Other expenditure directly attributable to project construction	712.92	-	-	-	712.92
Less: Allocated to related works	28.18	597.31	-	-	625.49
	<u>2,930.91</u>	<u>2,102.04</u>	<u>-</u>	<u>-</u>	<u>5,032.95</u>
Sub-total	17,470.15	65,135.68	-	18,197.75	64,408.08
<b>Construction stores (net of provisions)</b>	23.30	7,105.24	(155.91)	-	6,972.63
<b>Total</b>	<u>17,493.45</u>	<u>72,240.92</u>	<u>(155.91)</u>	<u>18,197.75</u>	<u>71,380.71</u>

**As at 31 March 2023**

Particulars	Amount in ₹ Million				
	As at 1 April 2022	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2023
<b>Buildings</b>					
Freehold					
Main plant	-	-	-	-	-
Others	-	7.10	-	7.10	-
Plant and equipment - owned	-	13,819.10	720.14	-	14,539.24
	-	<u>13,826.20</u>	<u>720.14</u>	<u>7.10</u>	<u>14,539.24</u>
<b>Expenditure pending allocation</b>					
Expenditure during construction period (net)*	-	1,474.35	771.82	-	2,246.17
Other expenditure directly attributable to project construction	-	712.92	-	-	712.92
Less: Allocated to related works	-	28.18	-	-	28.18
	-	<u>2,159.09</u>	<u>771.82</u>	<u>-</u>	<u>2,930.91</u>
Sub-total	-	15,985.29	1,491.96	7.10	17,470.15
<b>Construction stores (net of provisions)</b>	-	23.30	-	-	23.30
<b>Total</b>	<u>-</u>	<u>16,008.59</u>	<u>1,491.96</u>	<u>7.10</u>	<u>17,493.45</u>

\* Brought from expenditure during construction period (net) - Note 31

4. Non-current assets - Intangible assets

As at 30 Sep 2024

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the period	Deductions/ adjustments	Upto 30 Sep 2024	Net block
	1 April 2024			30 Sep 2024	1 April 2024				As at 30 Sep 2024
Software	1.74	-	-	1.74	1.74	-	-	1.74	-
	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>-</u>

As at 30 Sep 2023

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the period	Deductions/ adjustments	Upto 30 Sep 2023	Net block
	1 April 2023			30 Sep 2023	1 April 2023				As at 30 Sep 2023
Software	1.74	-	-	1.74	1.74	-	-	1.74	-
	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>-</u>

As at 31 March 2024

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the year	Deductions/ adjustments	Upto 31 March 2024	Net block
	1 April 2023			31 March 2024	1 April 2023				As at 31 March 2024
Software	1.74	-	-	1.74	1.74	-	-	1.74	-
Total	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>-</u>

As at 31 March 2023

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the period	Deductions/ adjustments	Upto 31 March 2023	Net block
	1 April 2022			31 March 2023	1 April 2022				As at 31 March 2023
Software	-	-	1.74	1.74	-	-	1.74	1.74	-
Total	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>1.74</u>	<u>-</u>	<u>-</u>	<u>1.74</u>	<u>1.74</u>	<u>-</u>

4A. Non-current assets - Investments accounted for using equity method

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Equity instruments - Unquoted (fully paid up) - Joint Venture Companies</b>				
Indian Oil NTPC Green Energy Pvt Ltd	166.73	0.50	0.48	-
<b>Total</b>	<b>166.73</b>	<b>0.50</b>	<b>0.48</b>	<b>-</b>

Particulars	Face value per share in ₹	Number of Shares			
		As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Joint Venture Companies</b>					
Indian Oil NTPC Green Energy Pvt Ltd	10	1,80,50,000	50,000	50,000	-
<b>Total</b>		<b>1,80,50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>

- The Board of Directors in its meeting held on 25th Jan 2023 had accorded approval for formation of joint venture company with Indian Oil Corporation Ltd (IOCL). IndianOil NTPC Green Energy Private Limited (INGEL) was incorporated on 2nd June 2023 with a 50:50 equity participation of the company and IOCL.
- Details of interest in joint venture company, its summarised financial information, restrictions for the disposal of investments held by the Group and commitments are disclosed in Note 46 (d)
- Restrictions for the disposal of investments held by the Company and commitments towards certain subsidiary & joint venture companies are disclosed in Note 46(c) & 46 d (iii).
- Investments are accounted for after netting off share in loss of ₹ 13.75 Million (30 September 2023: Nil, 31 March 2024: ₹ 0.02 Million, 31 March 2023: NA)

5. Non current assets-Other financial assets

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Security Deposit	849.67	801.05	825.03	777.69
	<b>849.67</b>	<b>801.05</b>	<b>825.03</b>	<b>777.69</b>

- Non current Financial Deposit represents the present value of deposits with Government of Gujarat in respect of Khavda Solar Park in Rann of Kutch, Gujarat.

6. Other non-current assets

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Capital advances</b> (Considered good unless otherwise stated)				
Unsecured				
Covered by bank guarantees	17,851.23	11,739.42	10,245.44	9,598.61
Others	3,519.11	709.81	1,283.58	911.05
	<b>21,370.34</b>	<b>12,449.23</b>	<b>11,529.02</b>	<b>10,509.66</b>
<b>Advances other than capital advances</b> (Considered good unless otherwise stated)				
Security Deposit	3.14	0.15	2.99	0.15
Advance tax and tax deducted at source	81.22	21.90	58.00	12.30
Less: Provision for tax	(0.07)	-	(0.07)	(0.07)
	<b>84.29</b>	<b>22.05</b>	<b>60.92</b>	<b>12.38</b>
<b>Total</b>	<b>21,454.63</b>	<b>12,471.28</b>	<b>11,589.94</b>	<b>10,522.04</b>

- Capital advances covered by Bank Guarantees are paid to the EPC contractors as per the terms & conditions of the contracts.
- Capital advances includes ₹ 108.58 millions (Net) paid to NTPC Ltd (30 September 2023: ₹ 116.06 Million, 31 Mar 2024: ₹ 108.58 Million; 31 Mar 2023: ₹ 116.06 Million) as part of purchase consideration for acquisition of RE assets through a Business Transfer Agreement (BTA) dated 8th July 2022 pertaining to ROU land of Rojmal and Jetsar project which is pending assignment / novation.
- Capital advances include ₹ 118 Million for application money to New & Renewable Energy Development Corporation of Andhra Pradesh Ltd for Land allotment, ₹ 321.4 Million towards 4750 MW Solar park internal road work to R&B Division, Gujarat, ₹ 305.9 Million (one time premium & first year lease charges) deposited with Rajasthan government for land allotment for Bhadla solar project, ₹ 1243.88 Million for land in Rajasthan, ₹ 1014.70 Million for land in Gujarat and advances to State Govt agencies for capital works out of which part amount is recoverable.
- Capital advances also include an amount of ₹ 463.31 Million (30 September 2023: ₹ 153.30 Million, 31 March 2024 : ₹ 99.05 Million) given as advance against works to NTPC GE Power Services Pvt Ltd (related party) which is an associate company, being joint venture company of ultimate parent company.

**7. Current assets - Inventories**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Stores and spares	254.72	87.38	217.09	87.38
Chemicals and consumables	0.76	0.76	0.76	0.76
Others	30.05	8.85	29.04	4.86
<b>Total</b>	<b>285.53</b>	<b>96.99</b>	<b>246.89</b>	<b>93.00</b>
Less: provision for shortages	1.86	-	1.86	-
<b>Total</b>	<b>283.67</b>	<b>96.99</b>	<b>245.03</b>	<b>93.00</b>

a) Inventory items have been valued as per accounting policy (Note 1)

**8. Current financial assets - Trade receivables**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Trade receivables				
Unsecured, considered good	4,610.73	5,103.27	7,048.14	3,254.98
<b>Total</b>	<b>4,610.73</b>	<b>5,103.27</b>	<b>7,048.14</b>	<b>3,254.98</b>

a) Amounts receivable from related parties are disclosed in Note 37



(b) Trade Receivables ageing schedule

As at 30 Sep 2024

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,721.02	1,430.10	1,242.82	0.03	1.60	-	-	4,395.57
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	1.82	1.81	9.25	15.71	186.57	-	-	215.16
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,722.84</b>	<b>1,431.91</b>	<b>1,252.07</b>	<b>15.74</b>	<b>188.17</b>	<b>-</b>	<b>-</b>	<b>4,610.73</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,722.84</b>	<b>1,431.91</b>	<b>1,252.07</b>	<b>15.74</b>	<b>188.17</b>	<b>-</b>	<b>-</b>	<b>4,610.73</b>

As at 30 Sep 2023

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,568.27	1,515.05	1,826.75	-	-	-	-	4,910.07
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	1.87	1.90	11.92	177.51	-	-	-	193.20
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,570.14</b>	<b>1,516.95</b>	<b>1,838.67</b>	<b>177.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,103.27</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,570.14</b>	<b>1,516.95</b>	<b>1,838.67</b>	<b>177.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,103.27</b>

As at 31 March 2024

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,953.20	2,462.53	2,421.06	-	1.60	-	-	6,838.39
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	2.84	5.20	10.41	13.82	177.48	-	-	209.75
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,956.04</b>	<b>2,467.73</b>	<b>2,431.47</b>	<b>13.82</b>	<b>179.08</b>	<b>-</b>	<b>-</b>	<b>7,048.14</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,956.04</b>	<b>2,467.73</b>	<b>2,431.47</b>	<b>13.82</b>	<b>179.08</b>	<b>-</b>	<b>-</b>	<b>7,048.14</b>

As at 31 March 2023

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,007.79	1,189.81	879.87	-	-	-	-	3,077.47
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	2.83	174.68	-	-	-	-	177.51
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,007.79</b>	<b>1,192.64</b>	<b>1,054.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,254.98</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,007.79</b>	<b>1,192.64</b>	<b>1,054.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,254.98</b>

**9. Current financial assets - Cash and cash equivalents**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts				
Current accounts	359.51	24.22	1,154.67	176.39
Deposits with original maturity upto three months (including interest accrued)	12,163.02	1.39	1.40	551.07
Cheques and drafts on hand	-	-	0.20	-
<b>Total</b>	<b>12,522.53</b>	<b>25.61</b>	<b>1,156.27</b>	<b>727.46</b>

**9A. Current financial assets - Bank balances other than cash and cash equivalents**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	2,031.88	4,289.03	3,565.16	-
<b>Total</b>	<b>2,031.88</b>	<b>4,289.03</b>	<b>3,565.16</b>	<b>-</b>

- a) Balances with banks includes ₹ 28.63 Million (30 September 2023: ₹ 2.60 Million, 31 March 2024: ₹ 28.63 Million and 31 March 2023: Nil ) held as margin money against the guarantees issued on behalf of company.

**10. Current assets - Other financial assets**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Claims recoverable</b>				
Unsecured, considered good	98.65	1,913.09	4.48	3,556.00
Security Deposit	435.00	435.00	435.00	250.00
Receivable from Holding Company	125.01	2,480.66	-	-
<b>Total</b>	<b>658.66</b>	<b>4,828.75</b>	<b>439.48</b>	<b>3,806.00</b>

- a) Claims recoverable includes Government grants of Nil (30 September 2023: ₹ 1,890 Million, 31 March 2024: Nil ; 31 March 2023: ₹ 3,556 Million) receivable from Solar Energy Corporation of India under MNRE Scheme for setting up Solar PV power projects.
- b) Claims recoverable includes ₹ 81.77 Million relating to Initial Public Offer (IPO) which also includes ₹ 1.95 Million as on 30 September 2024 paid to Auditors for IPO related services rendered.

**11. Current assets - Other current assets**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Advances</b> (Considered good unless otherwise stated)				
Contractors and suppliers				
Unsecured	2.91	11.43	6.54	45.23
Others	-	-	-	-
Unsecured	0.87	0.47	0.30	0.62
	<b>3.78</b>	<b>11.90</b>	<b>6.84</b>	<b>45.85</b>
<b>Claims Recoverable</b>				
Unsecured considered good	267.67	10.43	40.43	12.25
Others	30.78	-	-	-
Prepaid Expenses	135.91	160.78	36.74	-
<b>Total</b>	<b>438.14</b>	<b>183.11</b>	<b>84.01</b>	<b>58.10</b>

12. Equity share capital

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Equity share capital</b>				
<b>Authorized</b>				
10,00,00,00,000 shares of par value ₹10/- each	<u>1,00,000.00</u>	<u>1,00,000.00</u>	<u>1,00,000.00</u>	<u>1,00,000.00</u>
<b>Issued, subscribed and fully paid up</b>				
750,00,00,000 shares of par value ₹ 10/- each as at 30 Sep 2024 (471,96,11,035 shares of par value ₹ 10/- each as at 30 Sep 2023, 571,96,11,035 shares of par value ₹ 10/- each as at 31 March 2024, 471,96,11,035 shares of par value ₹ 10/- each as at 31 March 2023)	<u>75,000.00</u>	<u>47,196.11</u>	<u>57,196.11</u>	<u>47,196.11</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	Number of shares			
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
At the beginning of the period	5,71,96,11,035	4,71,96,11,035	4,71,96,11,035	-
Add: Issued during the period	1,78,03,88,965	-	1,00,00,00,000	4,71,96,11,035
Outstanding at the end of the period	<u>7,50,00,00,000</u>	<u>4,71,96,11,035</u>	<u>5,71,96,11,035</u>	<u>4,71,96,11,035</u>

b) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 30 Sep 2024		As at 30 Sep 2023		As at 31 March 2024		31 March 2023	
	No. of shares	%age holding	No. of shares	%age holding	No. of shares	%age holding	No. of shares	%age holding
NTPC Limited (including its Nominees)	<u>7,50,00,00,000</u>	<u>100%</u>	4,71,96,11,035	100%	5,71,96,11,035	100%	4,71,96,11,035	100%

d) Details of shareholding of promoters:

Shares held by promoters as at 30 Sep 2024				
Sl. No.	Promoter name	No. of shares	%age of total shares	%age changes during the period
1.	NTPC Limited (including its Nominees)	<u>7,50,00,00,000</u>	<u>100.00</u>	(+)31.13%

Shares held by promoters as at 30 Sep 2023				
Sl. No.	Promoter name	No. of shares	%age of total shares	%age changes during the period
1.	NTPC Limited (including its Nominees)	4,71,96,11,035	100.00	NIL

Shares held by promoters as at 31 March 2024				
Sl. No.	Promoter name	No. of shares	%age of total shares	%age changes during the year
1.	NTPC Limited (including its Nominees)	5,71,96,11,035	100.00	(+) 21.19%

Shares held by promoters as at 31 March 2023				
Sl. No.	Promoter name	No. of shares	%age of total shares	%age changes during the year
1.	NTPC Limited (including its Nominees)	4,71,96,11,035	100.00	(+) 100%

13. Other equity

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Retained earnings</b>				
Opening balance	5,125.31	1,678.21	1,678.21	-
Add: Profit for the year as per statement of profit and loss	1,766.51	2,081.51	3,447.10	1,712.19
Add: Adjustment for Opening Cumulative Profit of Subsidiary/Joint Ventures	-	-	-	(33.98)
<b>Closing balance</b>	<u>6,891.82</u>	<u>3,759.72</u>	<u>5,125.31</u>	<u>1,678.21</u>

a) Retained Earnings are the profits of the Group earned till date net of appropriations. The same will be utilised for the purposes as per the provisions of the Companies Act, 2013.

14. Non Controlling Interest

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
At the beginning of the year	<u>0.69</u>	0.58	0.58	-
Add: Additional non-controlling interest arising on acquisition / disposal of interest & other adjustments	<u>931.00</u>	-	-	0.49
Add: Comprehensive income attributable to non controlling interest	<u>(13.51)</u>	0.11	0.11	0.09
<b>At the end of the year</b>	<u>918.18</u>	<u>0.69</u>	<u>0.69</u>	<u>0.58</u>

**15. Non-current financial liabilities -Borrowings**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Term loans</b>				
<b>From Banks</b>				
<b>Secured</b>				
Rupee Loan	25,436.77	3,821.79	16,194.53	1,503.41
<b>Unsecured</b>				
Rupee term loans	1,46,010.54	93,406.50	1,11,779.39	52,675.00
	<u>1,71,447.31</u>	<u>97,228.29</u>	<u>1,27,973.92</u>	<u>54,178.41</u>
Less: Current maturities of				
Rupee term loans from banks - secured	346.15	-	115.39	-
Rupee term loans from banks - unsecured	6,206.90	6,206.90	6,206.90	1,743.10
Less:				
Interest accrued but not due on secured borrowings	116.42	-	1.10	-
Interest accrued but not due on unsecured borrowings	755.93	-	5.42	-
<b>Total</b>	<u>1,64,021.91</u>	<u>91,021.39</u>	<u>1,21,645.11</u>	<u>52,435.31</u>

- a) The Unsecured Rupee term loan from banks include ₹ 78,528.10 Million (30 September 2023: ₹ 84,735 Million, 31 March 2024: ₹ 81,631.55 Million and 31 March 2023: ₹ 50,550 millions) which carry floating rates of interest ranging from 7.82% to 8.25% and have door to door maturity of 15 years. These loans are repayable in equal half yearly instalments after completion of 6 Months of moratorium period. Interest is payable monthly even during the moratorium period.
- b) The Unsecured Rupee term loan from banks include ₹ 66,726.51 Million (30 September 2023: ₹ 8,671.50 Million, 31 March 2024: ₹ 30,142.42 Million and 31 March 2023: ₹ 2,125 Million) which carry floating rate of interest ranging from 7.59% to 8.20%. These loans are repayable in yearly installments/ Bullet repayment as per the terms of the respective loan agreements. The repayment period extends from a period 5 to 15 years after a moratorium period. Interest is payable monthly even during the moratorium period.
- c) The secured term loan agreements executed by the company with domestic banks carry floating rates of interest ranging from 8.20% to 8.25%. The tenure of these loan are ranging from 15 to 20 years. These loans are repayable in equal quarterly/half yearly/annual instalments after completion of moratorium period.
- d) The loans are secured on first pari-passu basis on all existing and future movable and immovable assets excluding current assets pertaining to six projects viz, Bhainsara 320MW, Chattargarh 150MW, GUVNL 200MW ,GUVNL 150MW, SECI Hybrid Tr-IV-450MW & Shajapur U-1 & 2.
- e) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.
- f) The group has used the borrowings for the purpose for which they have been taken.

**16. Non-current financial liabilities - Lease liabilities**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Lease liabilities	9,869.72	7,246.17	10,591.89	7,191.64
Less: current maturities of lease liabilities	842.63	370.90	809.24	349.48
<b>Total</b>	<u>9,027.09</u>	<u>6,875.27</u>	<u>9,782.65</u>	<u>6,842.16</u>

- a) The lease liabilities are repayable in instalments as per the terms of the respective lease agreements generally over a period of more than 1 year .

17. Non-current liabilities - Deferred tax liabilities (net)

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Deferred tax liability				
Difference in book depreciation and tax depreciation	23,050.10	17,530.30	20,667.30	14,705.70
RoU Assets	1,558.60	-	1,800.40	-
Less: Deferred tax assets				
Unabsorbed Depreciation	9,998.90	5,939.10	8,321.90	3,840.80
RoU Liabilities	1,599.10	-	1,845.80	-
Provisions	0.40	-	0.40	-
Others	-	-	-	-
<b>Total</b>	<b>13,010.30</b>	<b>11,591.20</b>	<b>12,299.60</b>	<b>10,864.90</b>

- a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.  
b) Disclosures as per Ind AS 12 - 'Income Taxes' are provided in Note 35.

Movement in deferred tax balances

As at 30 Sep 2024					Amount in ₹ Million
Particulars	As at 1 April 2024	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 30 Sep 2024
Deferred tax liability					
Difference in book depreciation and tax depreciation	20,667.30	2,382.80	-	-	23,050.10
RoU Assets	1,800.40	(241.80)	-	-	1,558.60
Less: Deferred tax assets					
Unabsorbed Depreciation	8,321.90	1,677.00	-	-	9,998.90
RoU Liabilities	1,845.80	(246.70)	-	-	1,599.10
Provisions	0.40	-	-	-	0.40
<b>Net deferred tax (assets)/liabilities</b>	<b>12,299.60</b>	<b>710.70</b>	<b>-</b>	<b>-</b>	<b>13,010.30</b>

As at 30 Sep 2023					Amount in ₹ Million
Particulars	As at 1 April 2023	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 30 Sep 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	14,705.70	2,824.60	-	-	17,530.30
RoU Assets	-	-	-	-	-
Less: Deferred tax assets					
Unabsorbed Depreciation	3,840.80	2,098.30	-	-	5,939.10
RoU Liabilities	-	-	-	-	-
Provisions	-	-	-	-	-
<b>Net deferred tax (assets)/liabilities</b>	<b>10,864.90</b>	<b>726.30</b>	<b>-</b>	<b>-</b>	<b>11,591.20</b>

As at 31 March 2024					Amount in ₹ Million
Particulars	As at 1 April 2023	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 March 2024
Deferred tax liability					
Difference in book depreciation and tax depreciation	14,705.70	5,961.60	-	-	20,667.30
RoU Assets	-	1,800.40	-	-	1,800.40
Less: Deferred tax assets					
Unabsorbed Depreciation	3,840.80	4,481.10	-	-	8,321.90
RoU Liabilities	-	1,845.80	-	-	1,845.80
Provisions	-	0.40	-	-	0.40
<b>Net deferred tax (assets)/liabilities</b>	<b>10,864.90</b>	<b>1,434.70</b>	<b>-</b>	<b>-</b>	<b>12,299.60</b>

As at 31 March 2023					Amount in ₹ Million
Particulars	As at 7 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 March 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	-	2,653.90	-	12,051.80	14,705.70
RoU Assets	-	-	-	-	-
Less: Deferred tax assets					
Unabsorbed Depreciation	-	3,840.80	-	-	3,840.80
RoU Liabilities	-	-	-	-	-
Provisions	-	-	-	-	-
<b>Net deferred tax (assets)/liabilities</b>	<b>-</b>	<b>(1,186.90)</b>	<b>-</b>	<b>12,051.80</b>	<b>10,864.90</b>

18. Other non-current liabilities

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Government grants	18,999.40	17,625.95	19,086.52	16,945.90
Deferred Revenue	426.25	-	257.06	-
	<b>19,425.65</b>	<b>17,625.95</b>	<b>19,343.58</b>	<b>16,945.90</b>

- a) Government grants include grant received in advance amounting to ₹ 5,574.48 Million (30 September 2023: ₹ 4,122.64 Million, 31 March 2024: ₹ 5,920.21 Million, 31 March 2023: ₹ 4,472.14 Million) for which works are to be completed relating to certain solar power plants. This amount will be recognized as revenue corresponding to the depreciation charge in future years on completion of related projects.  
b) Balance Government grants amounting to ₹ 13,424.92 Million, (30 September 2023: ₹ 13,503.31 Million, 31 March 2024: ₹ 13,166.31 Million, 31 March 2023: ₹ 12,473.76 Million) represent unamortised portion of grant received/ receivable from Solar Energy Corporation of India under MNRE Scheme for setting up Solar PV power projects. This amount will be recognized as revenue corresponding to the depreciation charge in future years.  
c) Deferred revenue includes ₹ 304.52 Million (30 September 2023: Nil, 31 March 2024: ₹ 257.06 Million, 31 March 2023: Nil) recovered from EPC contractor for one of the solar projects which will be adjusted against future recurring annual expenditure.  
d) Deferred revenue also includes ₹ 121.73 Million (30 September 2023: Nil, 31 March 2024: Nil, 31 March 2023: Nil) recognised towards compensation for Change in Law for one of the solar projects which will be recognized as revenue in future years.  
e) Refer Note 23 w.r.t. current portion of Government grants and Deferred revenue

**19. Current financial liabilities - Borrowings**

Amount in ₹ Million

Particulars	As at	As at	As at	As at
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
Current maturities of non-current borrowings				
From Banks				
Secured				
Rupee term loans	346.15	-	115.39	-
Unsecured				
Rupee term loans	6,206.90	6,206.90	6,206.90	1,743.10
<b>Total</b>	<b>6,553.05</b>	<b>6,206.90</b>	<b>6,322.29</b>	<b>1,743.10</b>

- a) Details in respect of rate of interest and terms of repayment of current maturities of secured and unsecured non-current borrowings indicated above are disclosed in Note 15.
- b) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

**20. Current financial liabilities - Lease liabilities**

Amount in ₹ Million

Particulars	As at	As at	As at	As at
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
Current maturities of lease liabilities	842.63	370.90	809.24	349.48

- a) Refer Note 16 for details in respect of non-current lease liabilities.

**21. Current financial liabilities - Trade payables**

Amount in ₹ Million

Particulars	As at	As at	As at	As at
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
Trade payables for goods and services				
Total outstanding dues of				
- micro and small enterprises	74.31	88.41	97.03	129.00
- creditors other than micro and small enterprises	844.41	467.22	527.79	893.70
<b>Total</b>	<b>918.72</b>	<b>555.63</b>	<b>624.82</b>	<b>1,022.70</b>

- a) Disclosures as required under Companies Act, 2013 / MSMED Act, 2006 are provided in Note 49.
- b) Amounts payable to related parties are disclosed in Note 37.

(c) Trade payables ageing schedule

As at 30 Sep 2024

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	37.84	35.88	0.59	-	-	-	74.31
(ii) Others	559.92	175.07	64.62	44.80	-	-	844.41
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>597.76</b>	<b>210.95</b>	<b>65.21</b>	<b>44.80</b>	<b>-</b>	<b>-</b>	<b>918.72</b>

As at 30 Sep 2023

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	51.36	36.99	0.06	-	-	-	88.41
(ii) Others	116.10	273.87	77.25	-	-	-	467.22
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>167.46</b>	<b>310.86</b>	<b>77.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>555.63</b>

As at 31 March 2024

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	46.43	-	50.60	-	-	-	97.03
(ii) Others	230.13	0.03	249.22	48.41	-	-	527.79
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>276.56</b>	<b>0.03</b>	<b>299.82</b>	<b>48.41</b>	<b>-</b>	<b>-</b>	<b>624.82</b>

As at 31 March 2023

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	30.09	98.60	0.31	-	-	-	129.00
(ii) Others	83.13	104.63	705.94	-	-	-	893.70
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>113.22</b>	<b>203.23</b>	<b>706.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,022.70</b>



**22 Current liabilities - Other financial liabilities**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on secured borrowings	116.42	-	1.10	-
Interest accrued but not due on unsecured borrowings	755.93	-	5.42	-
Payable for capital expenditure				
- micro and small enterprises	2.20	1.63	145.20	0.13
- other than micro and small enterprises	25,050.25	11,866.49	36,596.98	12,352.97
Contractual Obligation	345.40	539.45	155.30	101.21
Other payables				
Deposits from contractors and others	0.50	38.70	1.30	0.10
Payable to Employees	205.97	76.72	122.76	54.64
Payable to Holding Company	41.06	86.47	870.53	31,979.96
Others	21.93	0.15	3.30	-
<b>Total</b>	<b>26,539.66</b>	<b>12,609.61</b>	<b>37,901.89</b>	<b>44,489.01</b>

- a) Disclosures as required under the Companies Act, 2013 / MSMED Act, 2006 are provided in Note 49  
b) Amounts payable to related parties are disclosed in Note 37.

**23 Current liabilities - Other current liabilities**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Advances from customers and others	6.61	24.46	5.07	22.10
Government grants	667.11	653.28	653.28	597.28
Deferred revenue	5.99	-	-	-
Other payables				
Statutory dues	253.49	109.65	353.78	127.11
<b>Total</b>	<b>933.20</b>	<b>787.39</b>	<b>1,012.13</b>	<b>746.49</b>

- a) Also refer Note 18 w.r.t. accounting of Government grants.

**24. Current liabilities - Provisions**

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Provision for Shortage in Fixed Assets	0.80	-	0.80	-
<b>Total</b>	<b>0.80</b>	<b>-</b>	<b>0.80</b>	<b>-</b>

**25. Revenue from operations**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Revenue from Energy Sales</b>				
Energy sales	10,328.22	9,769.26	18,874.56	1,647.13
<b>Revenue from services</b>				
Consultancy, project management and supervision fee	140.42	-	100.47	-
<b>Other operating revenues</b>				
Interest from Beneficiaries	26.48	-	-	-
Recognized from Government grants	327.79	313.95	650.95	49.77
<b>Total</b>	<b>10,822.91</b>	<b>10,083.21</b>	<b>19,625.98</b>	<b>1,696.90</b>

**26. Other income**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Interest from</b>				
Deposits with banks	160.89	48.23	300.60	0.31
Advance to contractors and suppliers	71.76	60.97	142.21	10.57
<b>Other non-operating income</b>				
Late payment surcharge from beneficiaries	113.88	27.68	156.08	-
Sale of Scrap	5.66	0.09	0.09	-
Interest on Income Tax Refund	-	-	0.48	0.03
LD Recovered	68.13	-	168.99	-
Miscellaneous income	-	0.37	0.41	0.37
Net gain in foreign currency transactions & translations	92.98	-	-	-
	513.30	137.34	768.86	11.28
Less: Transferred to expenditure during construction period (net) - Note 31	8.82	9.18	18.27	1.87
<b>Total</b>	<b>504.48</b>	<b>128.16</b>	<b>750.59</b>	<b>9.41</b>

**27. Employee benefits expense**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Salaries and wages	375.59	268.62	594.48	243.24
Contribution to provident and other funds	81.43	62.48	128.22	63.84
Staff welfare expenses	43.97	26.17	49.38	25.27
	<b>500.99</b>	<b>357.27</b>	<b>772.08</b>	<b>332.35</b>
Less:				
Transferred to expenditure during construction period (net)- Note 31	185.29	198.11	398.09	304.28
Reimbursements for employees on deputation/secondment	9.10	-	3.85	-
<b>Total</b>	<b>306.60</b>	<b>159.16</b>	<b>370.14</b>	<b>28.07</b>

(a) All the employees of the company are on secondment from NTPC Ltd. Pay allowances, perquisites and other benefits of the employees are governed by the terms and conditions as per the policy of NTPC Ltd. As per the policy amount equivalent to a fixed percentage of basic & DA of the seconded employees is payable by the company for employee benefits such as provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits to NTPC Ltd.

**28. Finance costs**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Finance costs on financial liabilities measured at amortized cost				
Rupee term loans	6,154.08	3,408.35	7,767.05	136.80
Unwinding of discount on vendor lease liabilities	142.99	181.65	504.70	263.08
	<b>6,297.07</b>	<b>3,590.00</b>	<b>8,271.75</b>	<b>399.88</b>
Interest Others	47.46	162.50	162.50	493.50
Other borrowing costs	0.47	0.23	0.23	0.20
	<b>47.93</b>	<b>162.73</b>	<b>162.73</b>	<b>493.70</b>
<b>Sub-total</b>	<b>6,345.00</b>	<b>3,752.73</b>	<b>8,434.48</b>	<b>893.58</b>
Less: Transferred to expenditure during construction period (net)- Note 31	2,566.85	395.84	1,528.75	394.86
<b>Total</b>	<b>3,778.15</b>	<b>3,356.89</b>	<b>6,905.73</b>	<b>498.72</b>

**29. Depreciation and amortization expense**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
On property, plant and equipment - Note 2	3,929.23	3,226.84	6,791.19	716.10
Less: Transferred to expenditure during construction period (net) - Note 31	350.95	117.47	363.61	217.04
<b>Total</b>	<b>3,578.28</b>	<b>3,109.37</b>	<b>6,427.58</b>	<b>499.06</b>

30. Other expenses

Amount in ₹ Million

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Power charges	42.09	81.59	83.56	-
Less: Recovered from contractors and employees	-	-	-	-
	42.09	81.59	83.56	-
Rent	7.67	3.28	15.77	1.84
Repairs and maintenance				
Buildings	10.92	5.86	11.20	0.49
Plant and equipment	715.23	501.75	1,166.13	91.19
Others	1.03	1.74	3.51	0.15
	727.18	509.35	1,180.84	91.83
Load dispatch centre charges	6.20	6.67	14.71	1.91
Insurance	59.28	63.95	128.82	8.02
Rates and taxes	591.84	214.41	384.19	456.32
Training and recruitment expenses	-	0.02	0.10	0.05
Communication expenses	3.31	5.89	12.65	3.38
EDP Stationary	1.25	0.18	0.29	0.13
Travelling expenses	27.95	19.02	41.58	17.55
Travelling expenses-Foreign	1.32	1.20	2.85	-
Tender Expenses	80.51	65.52	125.54	85.28
Less: Receipt from Sale of Tender	2.75	2.10	5.43	(10.76)
	77.76	63.42	120.11	74.52
Remuneration to auditors	1.51	0.49	2.00	0.72
Transit hostel expenses	2.69	0.45	0.90	0.39
Advertisement and publicity	0.10	-	-	-
Entertainment expenses	2.87	1.28	4.48	1.47
Expenses for guest house	2.40	2.81	6.35	0.39
Less: Recoveries	-	-	-	-
	2.40	2.81	6.35	0.39
Professional charges and consultancy fee	56.38	12.23	44.28	37.05
Legal expenses	4.00	1.63	4.59	3.10
Net loss/(gain) in foreign currency transactions & translations	-	-	89.24	-
Printing and stationery	0.28	0.21	0.44	0.23
Hiring of vehicles	13.93	7.91	21.22	4.05
Bank Charges	33.11	5.19	31.12	8.70
Brokerage & Commission	3.92	-	1.45	-
Books & Periodicals	0.89	0.02	1.29	0.01
Office Admin expenses	1.02	1.02	2.35	2.58
Miscellaneous expenses	6.49	4.19	9.15	0.82
	1,675.44	1,006.41	2,204.33	715.06
Less: Transferred to expenditure during construction period (net) - Note 31	517.01	234.11	427.17	560.04
	1,158.43	772.30	1,777.16	155.02
Corporate Social Responsibility (CSR) expenses	28.48	5.65	11.30	-
Provisions for				
Shortage in Inventories	-	-	1.86	-
Shortage in Fixed assets	-	-	0.80	-
	-	-	2.66	-
<b>Total</b>	<b>1,186.91</b>	<b>777.95</b>	<b>1,791.12</b>	<b>155.02</b>
a) Details of remuneration to auditors:				
As auditor				
Audit fee	0.93	0.43	1.10	0.65
Tax audit fee	-	-	0.48	-
Limited review	0.20	0.06	0.18	0.06
In other capacity				
Other services (certification fee)	0.24	-	-	-
Reimbursement of expenses	0.14	-	0.24	0.01
<b>Total</b>	<b>1.51</b>	<b>0.49</b>	<b>2.00</b>	<b>0.72</b>

b) Remuneration to auditors includes ₹ 0.70 Million ((30 September 2023 : Nil ; 31 March 2024 : ₹ 0.40 Million ; 31 March 2023 : Nil) relating to earlier year.

31. Expenditure during construction period (net) \*

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>A. Employee benefits expense</b>				
Salaries and wages	138.16	144.64	303.73	221.61
Contribution to provident and other funds	29.03	35.06	65.08	58.89
Staff welfare expenses	18.10	18.41	29.28	23.78
<b>Total (A)</b>	<b>185.29</b>	<b>198.11</b>	<b>398.09</b>	<b>304.28</b>
<b>B. Finance costs</b>				
Finance costs on financial liabilities measured at amortized cost				
Rupee term loans	2,422.54	247.64	1,107.23	111.01
Unwinding of discount on vendor lease liabilities	144.31	146.07	416.75	257.13
Interest Others	-	2.13	4.77	26.72
<b>Total (B)</b>	<b>2,566.85</b>	<b>395.84</b>	<b>1,528.75</b>	<b>394.86</b>
<b>C. Depreciation and amortization expense</b>	<b>350.95</b>	<b>117.47</b>	<b>363.61</b>	<b>217.04</b>
<b>D. Other expenses</b>				
Power charges	0.11		5.49	-
Less: Recovered from contractors and employees	-		-	-
	0.11		5.49	-
Rent	3.31	0.75	10.18	1.84
Repairs and maintenance				
Buildings	-	0.51	0.77	0.19
Others	0.08	0.04	0.20	0.03
	0.08	0.55	0.97	0.22
Rates and taxes	461.16	150.26	242.60	446.66
Communication expenses	0.90	2.27	4.09	2.76
EDP Stationary Exp	0.01	0.01	0.01	0.03
Travelling expenses	11.81	10.53	22.38	16.51
Tender expenses	26.55	59.00	100.30	76.70
Less: Receipt from Sale of Tender	(2.75)	(2.10)	(5.35)	(10.76)
	23.80	56.90	94.95	65.94
Transit hostel expenses	1.03	0.45	0.90	0.39
Entertainment expenses	0.98	0.61	1.85	1.14
Professional charges and consultancy fee	1.90	2.10	3.68	8.94
Legal expenses	2.12	1.00	2.77	2.96
Printing and stationery	0.04	0.11	0.23	0.22
Hiring of vehicles	6.00	2.61	9.71	3.13
Bank Charges	0.22	4.13	23.47	6.65
Books & Periodicals	-	0.02	0.03	0.01
Office Admin expenses	-	1.70	-	2.58
Miscellaneous expenses	3.54	0.11	3.86	0.06
<b>Total (D)</b>	<b>517.01</b>	<b>234.11</b>	<b>427.17</b>	<b>560.04</b>
<b>E. Less: Other income</b>				
Interest from advances to contractors and suppliers	8.82	9.13	18.19	1.82
Interest others	-	0.05	-	-
Miscellaneous income	-	-	0.08	0.05
<b>Total (E)</b>	<b>8.82</b>	<b>9.18</b>	<b>18.27</b>	<b>1.87</b>
<b>Grand total (A+B+C+D-E) *</b>	<b>3,611.28</b>	<b>936.35</b>	<b>2,699.35</b>	<b>1,474.35</b>

\* Carried to capital work-in-progress - (Note 3)

- 32 a) The Group has a system of obtaining periodic confirmation of balances from banks and other parties annually as on 31 December. There are no unconfirmed balances in respect of bank accounts and borrowings from banks. With regard to receivables for energy sales, the Group sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis and has been completed as on 30 June 2024. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties in Financial Year 2023-24. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- b) In the opinion of the management, the value of assets, other than property, plant and equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- c) Approval for assignment/novation of ROU land pertaining to Rojmal project and Jetsar project is yet to be consented by the lessor. Agreements have been entered to provide right to use ROU land pertaining to Rojmal project and Jetsar project by NTPC Ltd. (sub-lease) for a period of 11 months for carrying out necessary activities, as required to be carried out under BTA pending transfer of leasehold rights etc. These lands are included as part of purchase consideration in BTA.
- d) The Group has followed same accounting policies and methods of computation in the interim financial statements for the six months period ended 30 September 2024 and 30 September 2023 as compared with the the annual financial statements for the year ended 31 March 2024 and 31 March 2023.

**33 Disclosure as per Ind AS 1 'Presentation of financial statements'**

**a) Material Accounting Policies :**

The relevant accounting policies adopted in line with those of ultimate holding company have been disclosed in Note 1.

**Changes in Material accounting policies:**

During the year Financial Year 2023-24 , the accounting of scrap was modified. Hitherto in Financial Year 2022-23, scrap generated was valued and taken in Stock whereas from Financial Year 2023-24, scrap generated out of any activity, whether steel scrap or otherwise, is not being valued. On actual disposal of scrap through sale, the proceeds shall be recognized in Income from Sale of Scrap/Surplus, Gain on sale of scrap generated out of PPE to be recognized to Gain on sale of assets account, as is being done now. Impact on profit due to the above change which was not material is specified as under:

Items before and after reclassification as at 30 Sep 2023:

				Amount in ₹ Million
Particulars	Restated Amount before reclassification	Reclassification	Restated Amount after reclassification	
1 Other expenses (Note 30)	802.80	(24.85)	777.95	
2 Deferred tax expense (Note 35)	720.00	6.30	726.30	
3 Profit for the year	2,063.07	18.55	2,081.62	

Items before and after reclassification as at 31 March 2024:

				Amount in ₹ Million
Particulars	Restated Amount before reclassification	Reclassification	Restated Amount after reclassification	
1 Other expenses (Note 30)	1,815.97	(24.85)	1,791.12	
2 Deferred tax expense (Note 35)	1,428.40	6.30	1,434.70	
3 Profit for the year	3,428.66	18.55	3,447.21	

Items before and after reclassification as at 31 March 2023:

				Amount in ₹ Million
Particulars	Restated Amount before reclassification	Reclassification	Restated Amount after reclassification	
1 Current assets - Inventories (Note 7)	117.85	(24.85)	93.00	
2 Non-current liabilities - Deferred tax liabilities (net) (Note 17)	10,871.20	(6.30)	10,864.90	
3 Other expenses (Note 30)	130.17	24.85	155.02	
4 Deferred tax expense (Note 35)	(1,180.60)	(6.30)	(1,186.90)	
5 Profit for the year	1,730.83	(18.55)	1,712.28	

**b) Reclassifications and comparative figures**

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current period's financial statements. As a result, certain line items have been reclassified in the balance sheet the details of which are as under:

Items of Balance Sheet before and after reclassification as at 30 Sep 2023:

				Amount in ₹ Million
Particulars	Restated Amount before reclassification	Reclassification	Restated Amount after reclassification	
1 Current financial liabilities - Trade payables Total (Note 21)	1,095.08	(539.45)	555.63	
2 Current liabilities - Other financial liabilities (Note 22) Contractual Obligation	-	539.45	539.45	

Items of Balance Sheet before and after reclassification as at 31 March 2024:-

Particulars	Restated Amount before reclassification	Reclassification	Amount in ₹ Million
			Restated Amount after reclassification
1 Current financial assets - Trade receivables (Note 8)	6,957.72	90.42	7,048.14
2 Current assets - Other financial assets - Claims receivable (Note 10)	529.90	(90.42)	439.48

Items of Balance Sheet before and after reclassification as at 31 March 2023:-

Particulars	Restated Amount before reclassification	Reclassification	Amount in ₹ Million
			Restated Amount after reclassification
1 Current financial liabilities - Trade payables Total (Note 21)	1,123.91	(101.21)	1,022.70
2 Current liabilities - Other financial liabilities (Note 22) Contractual Obligation	-	101.21	101.21
3 Other non-current assets Total (Note 6)	10,405.98	116.06	10,522.04
4 Current assets - Other financial assets Total (Note 10)	3,922.06	(116.06)	3,806.00

Items of Statement of Changes in Equity before and after reclassification as at 31 March 2023:-

Particulars	Restated Amount before reclassification	Reclassification	Amount in ₹ Million
			Restated Amount after reclassification
1 Other Equity - Retained Earnings	1,696.76	(18.55)	1,678.21

Items of Statement of Cash flows before and after reclassification as at 31 March 2024:-

Particulars	Restated Amount before reclassification	Reclassification	Amount in ₹ Million
			Restated Amount after reclassification
1 Net cash flow from/(used in) Investing Activities	(98,473.71)	6,403.25	(92,070.46)
2 Net Cash flow from/(used in) Financing Activities	83,111.30	(6,403.25)	76,708.05

Items of Statement of Cash flows before and after reclassification as at 31 March 2023:-

Particulars	Restated Amount before reclassification	Reclassification	Amount in ₹ Million
			Restated Amount after reclassification
1 Net cash flow from/(used in) Operating Activities	157.85	14.85	172.70
2 Net cash flow from/(used in) Investing Activities	(1,06,875.93)	3,832.93	(1,03,043.00)
3 Net Cash flow from/(used in) Financing Activities	1,07,382.47	(3,847.78)	1,03,534.69

**c) Period of accounting :**

The financial statements have been prepared for the period starting from 01 April 2024 and ending on 30 September 2024. Comparative figures have been provided by preparing financial statements for the period starting from 01 April 2023 and ending on 30 September 2023. As the company was incorporated on 07 April 2022, the financial statements for year prior to the previous year i.e. Financial Year 2022-23 were prepared for the period starting from 07 April 2022 and ending on 31 March 2023. Therefore, profit & loss figures for the Financial Year 2022-23 are not comparable with Financial Year 2023-24.

**d) Currency and Amount of presentation :**

Amount in the financial statements are presented in ₹ Million (rounded off upto two decimals) except for per share data and as other-wise stated.

**34 Disclosure as per Ind AS 2 'Inventories'**

a) Amount of inventories consumed and recognized as expense during the year is as under:

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	Amount in ₹ Million	
			For the period ended 31 March 2024	For the period ended 31 March 2023
Others (included in Note -30 Other expenses)	-	-	36.08	-
<b>Total</b>	-	-	36.08	-

**35. Income taxes related disclosures**

Disclosure as per Ind AS 12 'Income taxes'

**(a) Income tax expense**

Income tax recognised in the statement of profit and loss

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Current tax expense</b>				
Current year	-	0.08	0.07	0.06
Taxes for earlier years	-	-	-	-
<b>Total current tax expense (A)</b>	-	0.08	0.07	0.06
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	710.70	726.30	1,434.70	(1,186.90)
<b>Total deferred tax expense (B)</b>	710.70	726.30	1,434.70	(1,186.90)
<b>Income tax expense (C=A+B)</b>	710.70	726.38	1,434.77	(1,186.84)



**36 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'**

The amount of exchange differences (net) credited/(debited) to the statement of profit and loss is ₹ 92.98 Million [30 Sep 2023: Nil, 31 March 2024: ₹ (89.24) Million, 31 March 2023: Nil]

**36a Disclosure as per Ind AS 23 'Borrowing Costs'**

Borrowing costs capitalised during the year is ₹ 2566.85 Million (30 Sep 2023: ₹ 395.84 Million, 31 March 2024: ₹ 1528.75 Million and 31 March 2023: ₹ 394.86 Millions)

**37 Disclosure as per Ind AS 24 'Related Party Disclosures'**

**A List of related parties:**

**i) Holding Company:**

1. NTPC Ltd

**ii) Joint ventures companies:**

1. Indian Oil NTPC Green Energy Pvt Ltd

**iii) Subsidiary/Joint ventures companies of NTPC Ltd with whom the Group has entered into transactions:**

1. Utility Powertech Ltd. Joint Venture
2. NTPC-GE Power Services Pvt Ltd. Joint Venture
3. NTPC Vidyut Vyapar Nigam Ltd. Subsidiary

**iv) Key Management Personnel (KMP):**

**NTPC Green Energy Limited-Parent Company**

Shri Gurdeep Singh Chairman & Managing Director	w.e.f. 09.09.2024
Shri Gurdeep Singh Chairman	w.e.f. 09.08.2022 upto 08.01.2024
Shri K. Shanmugha Sundaram Chairman	w.e.f. 11.01.2024 upto 08.09.2024
Shri K. Shanmugha Sundaram Director (Projects)	w.e.f. 09.09.2024
Shri K. Shanmugha Sundaram Director	w.e.f. 11.01.2024 upto 09.09.2024
Shri Jaikumar Srinivasan Director (Finance)	w.e.f. 09.09.2024
Shri Jaikumar Srinivasan Director	w.e.f. 09.08.2022 upto 09.09.2024
Shri Ajay Dua Director	w.e.f. 17.02.2023
Smt. Sangeeta Kaushik Director	w.e.f. 08.12.2023
Smt. Ritu Arora Director	w.e.f. 09.09.2024
Smt. Sobha Pattabhiraman Director	w.e.f. 25.07.2023 upto 10.11.2023
Shri Rajiv Gupta Chief Executive Officer	w.e.f. 02.03.2024
Shri Mohit Bhargava Chief Executive Officer	w.e.f. 05.07.2022 upto 29.02.2024
Shri Neeraj Sharma Chief Financial Officer	w.e.f. 12.05.2023
Shri Manish Kumar Company Secretary	w.e.f. 21.12.2022

**NTPC Renewable Energy Limited-Subsidiary Company**

Shri Gurdeep Singh Chairman	w.e.f. 06.08.2022 upto 08.01.2024
Shri K. Shanmugha Sundaram Chairman	w.e.f. 11.01.2024
Shri Jaikumar Srinivasan Director	w.e.f. 06.08.2022 upto 06.05.2024
Smt. Sangeeta Kaushik Director	w.e.f. 07.10.2022
Shri Ajay Dua Director	w.e.f. 21.02.2023
Smt. Renu Narang	w.e.f. 07.06.2024
Shri Mohit Bhargava Director	w.e.f. 08.12.2023 upto 29.02.2024
Shri Mohit Bhargava Chief Executive Officer	w.e.f. 09.10.2020 upto 08.12.2023
Shri Rajiv Gupta, Chief Executive Officer	w.e.f. 08.12.2023 upto 27.05.2024
Shri Sarit Maheshwari Chief Executive Officer	w.e.f. 27.05.2024
Shri Neeraj Sharma Chief Financial Officer	w.e.f. 25.07.2022
Smt. Rashmi Aggarwal Company Secretary	w.e.f. 28.07.2022

**Green Valley Renewable Energy Limited-Subsidiary Company**

Shri Jaikumar Srinivasan Chairman	w.e.f. 07.05.2024
Shri Dillip Kumar Patel Chairman	w.e.f. 13.02.2023 to 30.04.2024
Shri Arup Sarkar Director	w.e.f. 25.08.2022
Shri Rajiv Gupta Director	w.e.f. 25.08.2022
Shri Masood Aktar Ansari Director	w.e.f. 12.03.2024
Shri Sudhir Kumar Jha Director	w.e.f. 04.06.2024
Shri Shailendra Chief Executive Officer	CEO w.e.f. 28.12.2022, CEO (KMP) w.e.f. 26.03.2024

**iv) Entities under the control of the same government:**

The Company is a wholly-owned Subsidiary of NTPC Ltd., a Central Public Sector Undertaking (CPSU) in which majority of shares are held by Central Government. The Company has transactions with other Government related entities, which significantly includes but not limited to purchase of equipment, spares, receipt of erection, maintenance and other services, rendering consultancy and other services. Transactions with these parties are carried out at market terms and on terms comparable to those with other entities that are not Government-related generally through a transparent price discovery process against open tenders. In few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items or on single tender basis are resorted to due to urgency, compatibility and similar reasons which are also carried out through a process of negotiation with prices benchmarked against available price data of such items.

**B Transactions with related parties during the year are as follows :**

Particulars	Amount in ₹ Million			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
(i) Transactions with parent company NTPC Limited				
Equity contribution received	17,803.89	-	10,000.00	47,196.11
Equity shares issued (No. of Shares in Million)	1,780.39	-	1,000.00	4,719.61
Payment of Purchase Consideration for acquisition of RE Assets	-	32,167.00*	32,167.00*	86,001.00
Payment of Purchase Consideration for acquisition of NREL Equity	-	-	-	10,944.64
Payment for acquisition of Pudimadka Land	-	-	10,068.22	-
Refund for acquisition of Pudimadka Land	33.70	-	-	-
Sale of goods and services (Rojmal Plant)	233.22	258.80	400.00	-
Secondment of Employee	499.38	357.27	772.08	-
Payment for interest (Transfer of Assets)	-	-	162.50	493.50
Expenditure for office rent etc.	46.95	8.19	86.50	-
Expenditure for Bilhaur Land	13.28	-	26.60	-
Expenditure for Rojmal & Jetsar Land	2.32	-	7.50	-
(ii) Transactions with Subsidiary companies				
NTPC Renewable Energy Limited				
Equity contribution made	19,000.00	-	3,500.00	-
Equity shares received (No. of Shares in Million)	1,900.00	-	350.00	-
Expenditure for office rent etc.	20.97	-	38.60	-
GVREL Equity shares acquired	-	-	0.51	-
Equity shares received (No. of Shares in Million)	-	-	0.051	-

Green Valley Renewable Energy Limited			-	-	-
Equity contribution made	<b>969.00</b>		-	-	-
Equity shares received (No. of Shares in Million)	<b>96.90</b>		-	-	-
(iii) Transactions with Joint Venture companies					
Indian Oil NTPC Green Energy Pvt Ltd					
Equity contribution made	<b>180.00</b>		-	0.50	-
Equity shares received (No. of Shares in Million)	<b>18.00</b>		-	0.05	-
Project Management, Consultancy and other Services	<b>149.52</b>		-	104.32	-
(iv) Transactions with Associate companies					
Utility Powertech Ltd.					
Purchase of good or services	<b>0.57</b>		3.29	4.20	-
NTPC-GE Power Services Pvt Ltd.					
Contracts for work/services for services received by the Group	<b>811.42</b>		719.04	1,526.79	794.53
Bank Gurantee received against above contracts	<b>793.67</b>		269.90	269.90	-
NTPC Vidyut Vyapar Nigam Ltd.					
Brokerage & Commission Charges	<b>2.48</b>		-	1.17	-
(v) Compensation to key Managerial Personnel					
Short term employee benefits	<b>7.79</b>		2.02	7.34	-
Post term employee benefits	<b>0.85</b>		0.27	0.70	-
Other long term benefits	<b>0.67</b>		0.17	0.47	-

\* Net amount paid after adjustment of other receivables

C Outstanding balances with related parties are as follows:

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
(i) NTPC Ltd				
Amount payable (Refer Note 22)	<b>41.06</b>	86.47	870.53	31,979.96
Amount receivable (Refer Note 10)	<b>125.01</b>	2,480.66	-	-
Amount payable (Leased Assets)	<b>1266.17</b>	312.83	1,345.61	-
Amount payable (Rent etc)	<b>19.10</b>	-	30.80	-
Amount recoverable (Rojmal & Jetsar Land)	<b>108.58</b>	116.06	108.58	-
Amount recoverable (Trade receivable)	<b>24.75</b>	33.08	25.00	-
(ii) Indian Oil NTPC Green Energy Pvt Ltd				
Amount recoverable (Trade receivable & Others)	<b>176.43</b>	-	94.89	-
(iii) Utility Powertech Ltd				
Amount payable	<b>0.07</b>	0.09	0.40	2.10
(iv) NTPC GE Power Services Pvt Ltd.				
Amount payable	<b>329.60</b>	150.64	544.42	171.88
(v) NTPC Vidyut Vyapar Nigam Ltd.				
Amount recoverable	<b>61.45</b>	-	22.34	-

D Terms and conditions of transactions with the related parties

(i) Transactions with the related parties are made on normal commercial terms and conditions and at arms length price.

(ii) NTPC Ltd is seconding its personnel to the Group as per the terms and conditions which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by NTPC Limited towards superannuation and employee benefits are recovered from the group.

(iii) During Financial Year 2023-24, Company acquired 1200 acres of land at Pudimadaka in the state of Andhra Pradesh through NTPC Ltd at consideration of ₹ 10,034.52 Million (Net of Refund). The company entered into lease agreement with Andhra Pradesh Industrial Infrastructure Corporation Ltd. for 33 years specifying upfront cost of ₹ 7284.60 Million and annual lease rent of ₹ 1/- per acre per annum. This land is included under Right to Use Assets.

(iv) During Financial Year 2023-24, NTPC Ltd has issued a corporate guarantee to one of the subsidiary company against a loan of JPY 15,000 Million i.e. ₹ 8,928 Million (30 September 2023: Nil, 31 March 2024 : ₹ 8,364 Million, 31 March 2023: Nil) extended by Japan Bank for International Cooperation (JBIC). No amount has been drawn as at 30 September 2024.

**38. Disclosure as per Ind AS 33 'Earnings per share'**

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Net Profit after Tax used as numerator (Amount in ₹ )	1,76,65,14,200	2,08,15,10,000	3,44,71,00,000	1,71,21,90,000
Face value per share (Amount in ₹ )	10.00	10.00	10.00	10.00
Weighted average number of equity shares used as denominator (Nos.)	5,96,28,33,571	4,71,96,11,035	4,73,05,39,997	36,74,70,591
Earning Per Share (Basic & Diluted) ( Amount in ₹ )	0.30	0.44	0.73	4.66

**39. Disclosure as per Ind AS 36 'Impairment of Assets'**

There are no external / internal indicators which leads to any impairment of assets of the Group as required by Ind AS 36 'Impairment of Assets'.

**40. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'**

a) Provision for shortage in property, plant and equipment on physical verification pending investigation as at 30 September 2024 is ₹ 0.8 Million (30 September 2023: Nil, 31 March 2024: ₹ 0.8 Million and 31 March 2023: Nil )

b.) Disclosure with respect to contingent liabilities and contingent assets are made in Note 51.

**41. Disclosure as per Ind AS 38 'Intangible Assets'**

There is no Research expenditure recognised as expense in the Statement of Profit and Loss during the year.

**42. Disclosure as per Ind AS 108 'Operating Segments'**

The Board of Directors of respective companies in the Group have been identified as the 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The Group predominantly operates in one segment i.e. Generation of Electricity. As on date, the Group has no other reportable segment.

### 43. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables for capital expenditure. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits that derive directly from its operations.

#### Risk management framework

The Group's activities makes it susceptible to various risks. The Group has taken adequate measures to address such concerns by developing adequate systems and practices. The Group's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Group's financial performance.

The Board of Directors of each company of the group has overall responsibility for the establishment and overseeing of the respective company's risk management framework. The Board perform within the overall risk framework of the ultimate holding company.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency Risk

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables & unbilled revenue, loans and advances, cash and cash equivalents and deposits with banks and financial institutions.

#### Trade receivables & unbilled revenue

The Group primarily sells electricity to bulk customers comprising mainly state utilities owned by State Governments. The Group has a robust payment security mechanism in the form of Letters of Credit (LC).

The Group has not experienced any significant impairment losses in respect of trade receivables in the past year.

Unbilled revenue primarily relates to the Company's right to consideration for sale effected but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts.

#### Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 12,522.53 Million (30 September 2023: ₹ 25.61 Million, 31 March 2024: ₹ 1,156.27 Million and 31 March 2023: ₹ 727.46 Million). The Group has banking operations mainly with SBI, Axis Bank, HDFC Bank, PNB, Central Bank, UCO Bank, Federal Bank & IOB which are scheduled banks. These banks have high credit rating and risk of default with these banks is considered to be insignificant.

#### Deposits with banks other than cash and cash equivalents

The Group held balances with banks, including earmarked balances, of ₹ 2,031.88 Million (30 September 2023: ₹ 4,289.03 Million, 31 March 2024: ₹ 3,565.16 Million and 31 March 2023: Nil). In order to manage the risk, Group places deposits with only high rated banks/institutions.

**(i) Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>				
Other Non-current financial assets	849.67	801.05	825.03	777.69
Cash and cash equivalents	12,522.53	25.61	1,156.27	727.46
Bank balances other than cash and cash equivalents	2,031.88	4,289.03	3,565.16	-
Other current financial assets	658.66	4,828.75	439.48	3,806.00
<b>Total (A)</b>	<b>16,062.74</b>	<b>9,944.44</b>	<b>5,985.94</b>	<b>5,311.15</b>
<b>Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach</b>				
Trade receivables	4,610.73	5,103.27	7,048.14	3,254.98
<b>Total (B)</b>	<b>4,610.73</b>	<b>5,103.27</b>	<b>7,048.14</b>	<b>3,254.98</b>
<b>Total (A+B)</b>	<b>20,673.47</b>	<b>15,047.71</b>	<b>13,034.08</b>	<b>8,566.13</b>

**(ii) Provision for expected credit losses**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses**

The Group has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach**

The Group has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue.

**(iii) Ageing analysis of trade receivables**

Refer Note 8(b)

**43. Financial Risk Management (Continued)**

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash 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 Group's Treasury department is responsible for managing the short-term and long-term liquidity requirements of the Group. Short-term liquidity situation is reviewed daily by the Treasury department. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Since billing to the customers are generally on a monthly basis, the Group maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

**(i) Financing arrangements**

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Amount in ₹ Million

Particulars	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Floating-rate borrowings</b>				
Cash credit	1,610.00	600.00	610.00	5,600.00
Term loans	47,838.09	47,391.71	53,549.20	75,771.59
<b>Total</b>	<b>49,448.09</b>	<b>47,991.71</b>	<b>54,159.20</b>	<b>81,371.59</b>

**(ii) Maturities of financial liabilities**

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

**30 Sep 2024**

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Rupee term loans from banks	872.35	6,553.05	6,911.09	44,336.89	1,12,773.93	1,71,447.31
Lease Obligations	198.93	337.62	589.52	1,891.44	24,514.65	27,532.16
Trade and other payables	918.72	-	-	-	-	918.72
Other financial liability	13,386.64	12,280.67	-	-	-	25,667.31

**30 Sep 2023**

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Rupee term loans from banks	-	6,206.90	6,553.05	25,013.84	59,454.50	97,228.29
Lease Obligations	311.67	91.80	333.60	1,064.12	19,528.26	21,329.45
Trade and other payables	555.63	-	-	-	-	555.63
Other financial liability	2,793.14	9,816.47	-	-	-	12,609.61

**31 March 2024**

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Rupee term loans from banks	-	6,322.29	6,668.50	35,864.10	79,119.03	1,27,973.92
Lease Obligations	357.17	539.01	570.38	1,826.02	26,801.61	30,094.19
Trade and other payables	624.82	-	-	-	-	624.82
Other financial liability	20,074.77	17,827.12	-	-	-	37,901.89

**31 March 2023**

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Rupee term loans from banks	-	1,743.10	3,533.51	12,899.61	36,002.19	54,178.41
Lease Obligations	163.23	301.05	336.23	1,061.46	19,617.96	21,479.93
Trade and other payables	1,022.70	-	-	-	-	1,022.70
Other financial liability	35,320.55	9,168.46	-	-	-	44,489.01

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group.

**Currency risk**

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The currency profile of financial assets and financial liabilities are as below:

As at 30 September 2024		Amount in ₹ Million	
Particulars			Total
<b>Financial liabilities</b>			
Other financial liabilities		-	-
<b>Total</b>		-	-

As at 30 September 2023		Amount in ₹ Million	
Particulars			Total
<b>Financial liabilities</b>			
Other financial liabilities		-	-
<b>Total</b>		-	-

As at 31 March 2024		Amount in ₹ Million	
Particulars			Total
Other financial liabilities		17,454.80	17,454.80
<b>Total</b>		17,454.80	17,454.80

As at 31 March 2023		Amount in ₹ Million	
Particulars			Total
Other financial liabilities		-	-
<b>Total</b>		-	-

**Sensitivity Analysis**

Since the impact of strengthening or weakening of INR against USD on the statement of profit and loss would not be very significant; therefore, sensitivity analysis for currency risk is not disclosed.

**43. Financial Risk Management (Continued)**

**Interest rate risk**

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	Amount in ₹ Million			
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
<b>Financial Assets:</b>				
<b>Fixed-rate instruments</b>				
Bank deposits	2,031.88	4,289.03	3,565.16	-
Security Deposit	849.67	801.05	825.03	777.69
<b>Total</b>	<b>2,881.55</b>	<b>5,090.08</b>	<b>4,390.19</b>	<b>777.69</b>
<b>Variable-rate instruments</b>	-	-		-
<b>Total</b>	<b>2,881.55</b>	<b>5,090.08</b>	<b>4,390.19</b>	<b>777.69</b>
<b>Financial Liabilities:</b>				
<b>Fixed-rate instruments</b>				
Lease obligations	9,869.72	7,246.17	10,591.89	7,191.64
	9,869.72	7,246.17	10,591.89	7,191.64
<b>Variable-rate instruments</b>				
Rupee Term Loans from Banks	1,71,447.31	97,228.29	1,27,973.92	54,178.41
	1,71,447.31	97,228.29	1,27,973.92	54,178.41
<b>Total</b>	<b>1,81,317.03</b>	<b>1,04,474.46</b>	<b>1,38,565.81</b>	<b>61,370.05</b>

**Fair value sensitivity analysis for fixed-rate instruments**

The Group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates

**Cash flow sensitivity analysis for variable-rate instruments**

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

Particulars	Amount in ₹ Million	
	Profit or (loss)	
	50 bp increase	50 bp decrease
<b>30 Sep 2024</b>		
Rupee term loans	(389.98)	389.98
	(389.98)	389.98
<b>30 Sep 2023</b>		
Rupee term loans	(215.77)	215.77
	(215.77)	215.77
<b>31 March 2024</b>		
Rupee term loans	(478.00)	478.00
	(478.00)	478.00
<b>31 March 2023</b>		
Rupee term loans	(19.87)	19.87
	(19.87)	19.87

Of the above mentioned increase in the interest expense, an amount of ₹ 158.38 Million (30 September 2023: ₹ 16.71 Million, 31 March 2024: ₹ 72.20 Million and 31 March 2023: ₹ 18.23 Million) is expected to be capitalised.



**44. Fair Value Measurements**

**a) Financial instruments by category**

All financial assets and liabilities viz., cash and cash equivalents, borrowings, lease liabilities, trade payables and other financial liabilities are measured at amortised cost.

**b) Fair value of financial assets and liabilities measured at amortised cost**

Amount in ₹ Million

Particulars	Level	As at 30 Sep 2024		As at 30 Sep 2023		As at 31 March 2024		As at 31 March 2023	
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>									
Claims recoverable	3	98.65	98.65	1,913.09	1,913.09	4.48	4.48	3,556.00	3,556.00
Trade receivables	3	4,610.73	4,610.73	5,103.27	5,103.27	7,048.14	7,048.14	3,254.98	3,254.98
Cash and cash equivalents	1	12,522.53	12,522.53	25.61	25.61	1,156.27	1,156.27	727.46	727.46
Bank balances other than cash and cash equivalents	1	2,031.88	2,031.88	4,289.03	4,289.03	3,565.16	3,565.16	-	-
Other financial assets	3	1,409.68	1,409.68	3,716.71	3,716.71	1,260.03	1,260.03	1,027.69	1,027.69
		<b>20,673.47</b>	<b>20,673.47</b>	<b>15,047.71</b>	<b>15,047.71</b>	<b>13,034.08</b>	<b>13,034.08</b>	<b>8,566.13</b>	<b>8,566.13</b>
<b>Financial liabilities</b>									
Rupee term loans	3	1,71,447.31	1,71,447.31	97,228.29	97,228.29	1,27,973.92	1,27,973.92	54,178.41	54,178.41
Lease liabilities (non-current)	3	9,027.09	9,027.09	6,875.27	6,875.27	9,782.65	9,782.65	6,842.16	6,842.16
Lease liabilities (current)	3	842.63	842.63	370.90	370.90	809.24	809.24	349.48	349.48
Trade payables	3	918.72	918.72	555.63	555.63	624.82	624.82	1,022.70	1,022.70
Other financial liabilities	3	25,667.31	25,667.31	12,609.61	12,609.61	37,895.37	37,895.37	44,489.01	44,489.01
		<b>2,07,903.06</b>	<b>2,07,903.06</b>	<b>1,17,639.70</b>	<b>1,17,639.70</b>	<b>1,77,086.00</b>	<b>1,77,086.00</b>	<b>1,06,881.76</b>	<b>1,06,881.76</b>

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

Also, carrying amount of claims recoverable approximates its fair value as these are recoverable immediately.

The carrying value of non-current lease liabilities has been calculated based on the cash flows discounted using a current discount rate in the current financial year and is thus considered to be the same as their fair value.

The fair value of borrowings, non-current trade payables and payable for capital expenditure were calculated based on cash flows discounted using a current discounting rate. They are classified at respective levels based on availability of quoted prices and inclusion of observable/non observable inputs.

#### **45. Capital Management**

The Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business.

Under the terms of major borrowing facilities, the Group is required to comply with the following financial covenants:

- (i) Total liability to networth ranges between 3:1 to 4:1
- (ii) Ratio of EBITDA to interest expense shall not at any time be less than 1.75 : 1

There have been no breaches in the financial covenants of any interest bearing borrowings.

The Group monitors capital, using a medium term view of three to five years, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The Group is not subject to externally imposed capital requirements.

One of the Subsidiaries takes investment decisions and decide whether or not to participate in tenders for new projects by analysing the project viability and its cash flows over its life using ratios like gearing ratio, project IRR, equity IRR, etc.

**46 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'**

**(a) Subsidiary Companies**

The Group's subsidiaries as at 30th September 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also its principal place of business.

Name of subsidiary company	Place of business/ country of incorporation	Ownership interest held by the group as at				Ownership interest held by non-controlling interests as at				Principal activities
		30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023	
NTPC Renewable Energy Limited	India	100%	100%	100%	100%	NIL	NIL	NIL	NIL	Generation of Energy
Green Valley Renewable Energy Limited	India	51%	-	51%	-	49%	-	49%	-	Generation of Energy

The Board of Directors of the Company in its meeting held on 26th Sep 2023 accorded approval to acquire entire equity shareholding of NTPC Renewable Energy Ltd (NTPC REL) in Green Valley Renewable Energy Ltd. (GVREL), a Subsidiary company of NTPC REL in joint venture with Damodar Valley Corporation (DVC) having shareholding in the ratio of 51:49 respectively. Pursuant to signing of Share Purchase agreement and other approvals, GVREL has become subsidiary of the company w.e.f 14th Dec 2023 with 51% equity shareholding.

**(b) Non-controlling interests (NCI)**

Set out below is summarised financial information for each subsidiary having non-controlling interest. The amounts disclosed for each subsidiary are before inter-company eliminations.

**Summarised balance sheet**

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Current assets	3.45	-	1.41	-
Current liabilities	1.53	-	0.03	-
<b>Net current assets/ (liabilities)</b>	<b>1.92</b>	<b>-</b>	<b>1.38</b>	<b>-</b>
Non-current assets	1,871.91	-	0.03	-
Non-current liabilities	-	-	-	-
<b>Net non-current assets</b>	<b>1,871.91</b>	<b>-</b>	<b>0.03</b>	<b>-</b>
Net assets	1,873.83	-	1.41	-
Accumulated NCI	918.18	-	0.69	-

**Summarised statement of profit and loss for the year ended**

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the period ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Total income	0.03	-	0.38	-
Profit/(loss) for the year	(27.58)	-	0.22	-
Other comprehensive income/(expense)	-	-	-	-
<b>Total comprehensive income/(expense)</b>	<b>(27.58)</b>	<b>-</b>	<b>0.22</b>	<b>-</b>
Profit/(loss) allocated to NCI	(13.51)	-	0.11	-
Dividends paid to NCI	-	-	-	-

**Summarised cash flows for the year ended**

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the period ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Cash flows from/(used in) operating activities	(26.10)	-	0.15	-
Cash flows from/(used in) investing activities	(1,871.85)	-	0.04	-
Cash flows from/(used in) financing activities	1,900.00	-	-	-
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>2.05</b>	<b>-</b>	<b>0.19</b>	<b>-</b>

**c) Details of significant restrictions**

Amount in ₹ Million

Name of the Subsidiary	Period of restrictions for disposal of investments as per related agreements	Amount invested			
		For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the period ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Green Valley Renewable Energy Ltd	5 years from the date of incorporation (i.e 25.08.2022)	969.51	-	0.51	-

46 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities' (Continued)

(d) Interests in Joint venture Companies

The Group has interest in one Joint venture company as at 30 September 2024 as detailed below. This entity has share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Joint Venture Company	Place of business/ country of incorporation	Ownership interest held by the group (in %) as at				Accounting Method	Carrying amount as at			
		30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023		30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
Indian Oil NTPC Green Energy Pvt Ltd	India	50%	50%	50%	-	Equity Method	166.73	0.50	0.48	-

The Board of Directors of the company in its meeting held on 25th Jan 2023 had accorded approval for formation of joint venture company with Indian Oil Corporation Ltd (IOCL). IndianOil NTPC Green Energy Private Limited (INGEL) has been incorporated on 2nd June 2023 with a 50:50 equity participation of the company and IOCL respectively.

(i) Summarised financial information of joint venture-companies of the group

The tables below provide summarised financial information of joint venture company of the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture company and not the group's share of those amounts.

Particulars	Indian Oil NTPC Green Energy Pvt Ltd			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
<b>Current assets</b>				
Cash and cash equivalents	112.98	0.97	0.11	-
Other Current assets	1.06	0.00	1.33	-
<b>Total Current assets</b>	<b>114.04</b>	<b>0.97</b>	<b>1.44</b>	<b>-</b>
<b>Total Non Current assets</b>	<b>399.41</b>	<b>1.54</b>	<b>110.78</b>	<b>-</b>
<b>Current Liabilities</b>				
Financial liabilities (excluding trade payables and provisions)	179.73	1.50	99.18	-
Other liabilities	0.26	0.01	12.08	-
<b>Total current liabilities</b>	<b>179.99</b>	<b>1.51</b>	<b>111.26</b>	<b>-</b>
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>333.46</b>	<b>1.00</b>	<b>0.96</b>	<b>-</b>

Particulars	Indian Oil NTPC Green Energy Pvt Ltd			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Opening net assets	0.96	-	-	-
Profit/(loss) for the year	(27.50)	-	(0.04)	-
Other comprehensive income/(expense)	-	-	(0.04)	-
Other adjustments*	360.00	-	1.00	-
<b>Closing net assets</b>	<b>333.46</b>	<b>-</b>	<b>0.96</b>	<b>-</b>
Groups share in %	50%	-	50%	-
Groups share in INR	166.73	-	0.48	-
<b>Carrying amount</b>	<b>166.73</b>	<b>-</b>	<b>0.48</b>	<b>-</b>

\*includes adjustment on account of investment by the Joint Venture partners

Particulars	Indian Oil NTPC Green Energy Pvt Ltd			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the period ended 31 March 2024	For the Period 07 March 2022 to 31 March 2023
Revenue from Operations	-	-	-	-
Other expenses	27.50	-	0.04	-
Profit/(loss) for the year	(27.50)	-	(0.04)	-
Dividend received	-	-	-	-

Particulars	Indian Oil NTPC Green Energy Pvt Ltd			
	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	For the period ended 31 March 2024	For the Period 07 March 2022 to 31 March 2023
(a) Addition to Property, Plant & Equipment, Intangible Assets, etc	0.03	-	0.08	-
(b) Changes in Capital work in progress (+/-)	288.63	-	110.70	-
(c) Changes in Capital advance, if shown separately (+/-)	-	-	-	-
<b>Total</b>	<b>288.66</b>	<b>-</b>	<b>110.78</b>	<b>-</b>

(ii) Commitments and contingent liabilities in respect of joint venture companies

a.) The Group's share of capital commitment in joint venture company as at 30 September 2024 is ₹ 22,399 Million (30 Sep 2023: Nil, 31 March 2024: ₹ 10,050 Million, 31 March 2023: Nil)

Name of the Joint venture company	Period of restrictions for disposal of investments as per related agreements	Amount invested			
		As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Indian Oil NTPC Green Energy Pvt Ltd	5 years from the date of incorporation (i.e 02.06.2023)	180.50	0.50	0.50	-

**47. Disclosure as per Ind AS 115, 'Revenue from contracts with customers'**

**Nature of goods and services**

**(a) Revenue from Energy sales**

The major revenue of the Group comes from energy sales. The Group sells electricity to bulk customers, mainly electricity utilities owned by State Governments operating in states as well as Central PSUs and also through Energy exchange. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

<b>Product/ Service</b>	<b>Nature, timing of satisfaction of performance obligations and significant payment terms</b>
Energy sales	The Group recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Group. The amounts are billed on a monthly basis and are payable within contractually agreed credit period. Revenue is recognized based on agreement entered with beneficiaries.

**(b) Revenue from Consultancy services**

The Group undertakes consultancy contracts for domestic clients in the different phases of power plants viz. engineering, project management & supervision, construction management etc

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy services:

<b>Product/ Service</b>	<b>Nature, timing of satisfaction of performance obligations and significant payment terms</b>
Consultancy services	The Group recognises revenue from contracts for consultancy services over time as the customers simultaneously receive and consume the benefits provided by the Group. For the assets (e.g. deliverables, reports etc.) transferred under the contracts, the assets do not have alternative use to the Group and the Group has enforceable right to payment for performance completed to date. The revenue from consultancy services is determined as per the terms of the contracts. The amount of revenue recognised is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Group. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.

**48. Disclosure as per Ind AS 116 'Leases'**

**Group as Lessee**

(i) The Group's significant leasing arrangements are in respect of the following assets:

(a) Premises for offices and guest houses/ transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.

(b) The Group acquires land on leasehold basis for a period generally ranging from 12 years to 40 years from the government authorities which can be renewed further based on mutually agreed terms and conditions. The leases are non cancellable. These leases are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Lease obligations' at their present values. The Right-of-use land is amortised considering the significant accounting policies of the Company.

(c) During the previous year ended 31 March 2024, Company has entered into lease agreement with Andhra Pradesh Industrial Infrastructure Corporation Ltd. for 1200 acres of land at Pudimadaka, Andhra Pradesh for development of Green Hydrogen Hub. The land was acquired through NTPC Ltd at consideration of ₹ 10,034.52 Million (Net of Refund). As per the agreement, lease is for 33 years and annual lease rent is ₹ 1/- per acre per annum.

(d) During the previous year ended 31 March 2024, Group had entered into lease agreement with NTPC Ltd. for 2809.26 acres of land at Barethi, Madhya Pradesh for development of Solar Park.

(ii) The following are the carrying amounts of lease liabilities recognised and the movements during the year :

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	Amount in ₹ Million	
			For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
<b>Opening Balance</b>	<b>10,591.89</b>	7,191.64	7,191.64	-
- Additions in lease liabilities	(688.82)	23.53	3,340.55	7,466.04
- Interest cost during the year	248.47	181.65	551.92	300.30
- Payment of lease liabilities	(281.82)	(150.65)	(492.22)	(574.70)
<b>Closing Balance</b>	<b>9,869.72</b>	7,246.17	10,591.89	7,191.64
Current	842.63	370.90	809.24	349.48
Non Current	9,027.09	6,875.27	9,782.65	6,842.16

(iii) Maturity Analysis of the lease liabilities:

Contractual undiscounted cash flows	Amount in ₹ Million			
	As at 30 Sep 2024	As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
3 months or less	198.93	311.67	357.17	163.23
3-12 Months	337.62	91.80	539.01	301.05
1-2 Years	589.52	333.60	570.38	336.23
2-5 Years	1,891.44	1,064.12	1,826.02	1,061.46
More than 5 Years	24,514.65	19,528.26	26,801.61	19,617.96
<b>Total</b>	<b>27,532.16</b>	21,329.45	30,094.19	21,479.93

(iv) Other disclosures relating to Depreciation, interest expenses on Leases etc.:

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	Amount in ₹ Million	
			For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Depreciation and amortisation expense for right-of-use assets	407.99	168.92	517.31	225.57
Interest expense on lease liabilities	248.47	181.65	551.92	300.30
Expense relating to short-term leases	-	-	-	-

(v) The following are the amounts disclosed in the cash flow statement:

Particulars	For the Six months period ended 30 Sep 2024	For the Six months period ended 30 Sep 2023	Amount in ₹ Million	
			For the year ended 31 March 2024	For the Period 07 April 2022 to 31 March 2023
Cash Outflow from leases	281.82	150.65	492.22	574.70

**49. Information in respect of micro and small enterprises as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Particulars	Amount in ₹ Million			
	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
a) Amount remaining unpaid to any supplier:				
Principal amount	76.51	90.04	242.23	129.13
Interest due thereon	-	-	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-	-
d) Amount of interest accrued and remaining unpaid	-	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

50. Disclosure as per Schedule III to the Companies Act, 2013

Amount in ₹ Million

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities as at		Share in profit or loss for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As %age of consolidated net assets	Amount	As %age of consolidated profit or loss	Amount	As %age of consolidated other comprehensive income	Amount	As %age of consolidated total comprehensive income	Amount
<b>Parent</b>								
<b>NTPC Green Energy Ltd.</b>								
30 Sep 2024	99.50%	82,396.33	111.08%	1,947.21	-	-	111.08%	1,947.21
30 Sep 2023	100.12%	51,016.15	100.60%	2,094.20			100.60%	2,094.20
31 March 2024	100.52%	62,645.23	108.01%	3,723.28	-	-	108.01%	3,723.28
31 March 2023	100.10%	48,921.95	100.79%	1,725.84	-	-	100.79%	1,725.84
<b>Subsidiaries (Indian)</b>								
<b>NTPC Renewable Energy Ltd.</b>								
30 Sep 2024	39.84%	32,992.46	-8.72%	(152.88)	-	-	-8.72%	(152.88)
30 Sep 2023	21.36%	10,884.32	-0.61%	(12.69)			-0.61%	(12.69)
31 March 2024	22.70%	14,145.34	-7.30%	(251.57)	-	-	-7.30%	(251.57)
31 March 2023	22.30%	10,897.01	-0.80%	(13.65)	-	-	-0.80%	(13.65)
<b>Green Valley Renewable Energy Ltd.</b>								
30 Sep 2024	2.28%	1,887.14	-0.80%	(14.07)	-	-	-0.80%	(14.07)
30 Sep 2023	0.00%	-	0.00%	-			0.00%	-
31 March 2024	0.00%	1.21	0.00%	0.11	-	-	0.00%	0.11
31 March 2023	0.00%	-	0.00%	-	-	-	0.00%	-
<b>Non-controlling interest in all subsidiaries</b>								
30 Sep 2024	1.11%	918.18	-0.78%	(13.51)	-	-	-0.78%	(13.51)
30 Sep 2023	0.00%	0.69	0.01%	0.11			0.01%	0.11
31 March 2024	0.00%	0.69	0.00%	0.11	-	-	0.00%	0.11
31 March 2023	0.00%	0.58	0.01%	0.09	-	-	0.01%	0.09
<b>Joint Ventures (Investment as per equity Method)</b>								
<b>Indianoil NTPC Green Energy Pvt. Ltd</b>								
30 Sep 2024	0.20%	166.73	-0.78%	(13.75)	-	-	-0.78%	(13.75)
30 Sep 2023	0.00%	0.50	0.00%	-			0.00%	-
31 March 2024	0.00%	0.48	0.00%	(0.02)	-	-	0.00%	(0.02)
31 March 2023	0.00%	-	0.00%	-	-	-	0.00%	-
<b>Intra Group Eliminations</b>								
30 Sep 2024	-42.73%	(35,384.11)	0.00%	-	-	-	0.00%	-
30 Sep 2023	-21.48%	(10,944.64)	0.00%	-			0.00%	-
31 March 2024	-23.22%	(14,470.36)	-0.71%	(24.70)	-	-	-0.71%	(24.70)
31 March 2023	-22.40%	(10,944.64)	0.00%	-	-	-	0.00%	-
<b>Total</b>								
30 Sep 2024	100.00%	82,810.00	100.00%	1,753.00	-	-	100.00%	1,753.00
30 Sep 2023	100.00%	50,956.52	100.00%	2,081.62			100.00%	2,081.62
31 March 2024	100.00%	62,322.11	100.00%	3,447.21	-	-	100.00%	3,447.21
31 March 2023	100.00%	48,874.90	100.00%	1,712.28	-	-	100.00%	1,712.28



**51. Contingent liabilities, contingent assets and commitments****A. Contingent liabilities**

In two cases, Central Transmission Utility has filed petitions with CERC for determination of transmission charges from the date of commissioning of transmission assets (DOCO) till 31.03.2024 and final order is awaited in both the petitions. The Group is one of the beneficiaries in these petitions. The amount of contingent liability in this regard is not ascertainable at this stage and in the opinion of the management, the same will not be material.

**B. Contingent assets**

a) Company has filed a number of petitions with CERC under change in law clauses seeking compensation due to imposition of safeguard duty/Basic Custom Duty, increase in GST rates on various inputs and capital goods used for setting up of RE power plants. Company believes that in these cases a favorable outcome is probable. The estimated financial effect of the same is ₹ 2,224.03 Million which has not been recognised as deferred revenue as its receipt is dependent on the outcome of the judgement. The same is to be recognized as revenue over the life of relevant RE assets.

b) Company has lodged insurance claim of ₹ 98.71 Million in respect of damages due to hailstorm in one of the solar plants which is under process.

**C. Commitments**

a) Estimated amount of contracts remaining to be executed on capital account is as under:

Particulars	As at 30 Sep 2024	Amount in ₹ Million		
		As at 30 Sep 2023	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	<b>1,64,616.99</b>	1,04,186.31	1,29,381.77	88,807.39

b) Group's commitment in respect of lease agreements has been disclosed in Note 48.

**52 Additional Regulatory Information**

- i) The Group does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- ii) During the period the Group has not revalued any of its Property, plant and equipment
- iii) During the period, the Group has not revalued any of its Intangible assets.
- iv) The Group has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

**v) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 30 Sep 2024**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	77,806.42	10,878.62	1,578.57	41.48	90,305.09
Projects temporarily suspended	-	-	-	-	-

Amount in ₹ Million

**Capital-Work-in Progress (CWIP) - Ageing Schedule as at 30 Sep 2023**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	14,704.50	4,330.59	105.11	-	19,140.20
Projects temporarily suspended	-	-	-	-	-

Amount in ₹ Million

**Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2024**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	65,997.13	4,951.83	385.76	45.99	71,380.71
Projects temporarily suspended	-	-	-	-	-

Amount in ₹ Million

**Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2023**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	16,001.43	1,428.01	64.01	-	17,493.45
Projects temporarily suspended	-	-	-	-	-

Amount in ₹ Million

**v) (b) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 30 Sep 2024**

Name of the project	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 30 Sep 2025	1 Oct 2025 to 30 Sep 2026	1 Oct 2026 to 30 Sep 2027	Beyond 1 Oct 2027	
Sambhu Ki Bhurj II Solar PV Project 150 MW	665.50	-	-	-	665.50
Bhainsara 320 MW	6,348.26	-	-	-	6,348.26
GUVNL 200 MW	8,070.68	-	-	-	8,070.68
GUVNL 150 MW	3,941.24	-	-	-	3,941.24
Shajapur 325 MW	10,430.49	-	-	-	10,430.49
Dayapar 200 MW	-	3,160.87	-	-	3,160.87
SECI TR-IV - 450 MW	12,780.03	-	-	-	12,780.03
500 MW Bhadla	11,784.56	-	-	-	11,784.56
CPSU 1255 MW	15,835.78	-	-	-	15,835.78
SECI TR-V - 450 MW	5,854.65	-	-	-	5,854.65
1200 MW Khavada	6,247.98	6,247.98	-	-	12,495.96
GESCL 200 MW	-	-	4.45	-	4.45
	81,959.17	9,408.85	4.45	-	91,372.47

Amount in ₹ Million

NTPC GREEN ENERGY LIMITED

Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 30 Sep 2023

Amount in ₹ Million

Name of the project	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 30 Sep 2024	1 Oct 2024 to 30 Sep 2025	1 Oct 2025 to 30 Sep 2026	Beyond 1 Oct 2026	
Sambhu Ki Bhurj II Solar PV Project 150 MW	2,239.08	-	-	-	2,239.08
Chattargh 150 MW	2,827.96	-	-	-	2,827.96
Bhainsara 320 MW	79.19	-	-	-	79.19
GUVNL 200 MW	21.69	-	-	-	21.69
GUVNL 150 MW	349.58	-	-	-	349.58
Shajapur 325 MW	2,634.02	-	-	-	2,634.02
Dayapar 200 MW	1,148.49	-	-	-	1,148.49
SECI TR-IV - 450 MW	4,804.25	-	-	-	4,804.25
500 MW Bhadla	76.19	-	-	-	76.19
CPSU 1255 MW	3,179.40	-	-	-	3,179.40
SECI TR-V - 450 MW	13.98	13.98	-	-	27.96
1200 MW Khavada	43.07	43.07	-	-	86.14
	17,416.90	57.05	-	-	17,473.95

Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2024

Amount in ₹ Million

Name of the project	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2025	1 April 2025 to 31 March 2026	1 April 2026 to 31 March 2027	Beyond 1 April 2027	
Sambhu Ki Bhurj II Solar PV Project 150 MW	2,258.12	-	-	-	2,258.12
Bhainsara 320 MW	8,992.54	-	-	-	8,992.54
GUVNL 200 MW	5,412.51	-	-	-	5,412.51
GUVNL 150 MW	4,597.13	-	-	-	4,597.13
Shajapur 325 MW	11,203.71	-	-	-	11,203.71
Dayapar 200 MW	1,776.06	-	-	-	1,776.06
SECI TR-IV - 450 MW	9,685.14	-	-	-	9,685.14
500 MW Bhadla	11,246.15	-	-	-	11,246.15
CPSU 1255 MW	9,656.70	-	-	-	9,656.70
SECI TR-V - 450 MW	-	74.10	-	-	74.10
1200 MW Khavada	-	1,505.80	-	-	1,505.80
	64,828.06	1,579.90	-	-	66,407.96

Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2023

Amount in ₹ Million

Name of the project	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Upto 31 March 2024	1 April 2024 to 31 March 2025	1 April 2025 to 31 March 2026	Beyond 1 April 2026	
Nokhra Solar PV Project 100MW	6,823.31	-	-	-	6,823.31
Sambhu Ki Bhurj II Solar PV Project 150 MW	2,171.08	-	-	-	2,171.08
Chattargarh 150 MW	2,407.41	-	-	-	2,407.41
Bhainsara 320 MW	73.30	-	-	-	73.30
GUVNL 200 MW	12.92	-	-	-	12.92
GUVNL 150 MW	55.01	-	-	-	55.01
	11,543.03	-	-	-	11,543.03

vi) Intangible assets under development - Ageing Schedule - Not applicable

vii) No proceedings have been initiated or pending against the Group under the Benami Transactions (Prohibition) Act, 1988.

viii) The quarterly returns / statement of current assets filed by the Group with banks / financial institutions are in agreement with the books of accounts - Not applicable as no financing arrangement of the Group is secured by current assets.

ix) None of the entities of the Group have been declared as a wilful defaulter by any bank or financial institution or any other lender.

**52 Additional Regulatory Information (continued)**

(x) Relationship with Struck off Companies - None

(xi) The Group has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

(xii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Group as per Section 2(45) of the Companies Act, 2013.

xiii) There were no scheme of Arrangements approved by the competent authority during the year in terms of sections 230 to 237 of the Companies Act, 2013.

xiv) The Group has not advanced or loaned or invested any fund to any entity (Intermediaries) with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party with the understanding that the Group shall whether, directly or indirectly lend or invest in other entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xv) The Group has not traded or invested in Crypto currency or Virtual Currency.

xvi) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

xvii) For Disclosure regarding Title deeds of Immovable Properties not held in name of the Group, Please Refer Note 2.

xviii) The Ministry of Corporate Affairs ,vide notification dated 12 August 2024, has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 which amends certain Indian Accounting Standards which are effective 1 April 2024:

Ind AS 117 - Insurance Contracts - This standard deals with accounting of insurance contracts and replaces current standard Ind AS 104, Insurance Contracts.

Further, amendments have been made to Ind AS 101, First-time Adoption of Indian Accounting Standards, Ind AS 103, Business Combinations, Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, Ind AS 107, Financial Instruments: Disclosures, Ind AS 109, Financial Instruments and Ind AS 115, Revenue from Contracts with Customers to align them with Ind AS 117.

The Group has evaluated the above and no changes/restatements are required in the financial statements.

**53. Statement of adjustments to the audited consolidated financial statements****Part A: Statement of restatement adjustments to audited consolidated financial statements****i) Reconciliation between total equity as per audited statutory financial statements and restated consolidated financial information:**

Amount in ₹ Million

Particulars	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
<b>Total equity as per audited consolidated financial statements</b>	<b>81,891.82</b>	50,955.83	62,321.42	48,892.87
Restatement Adjustments:	-		-	(18.55)
<b>Total equity as per Restated consolidated financial statements</b>	<b>81,891.82</b>	50,955.83	62,321.42	48,874.32

**ii) Reconciliation between profit for the year after tax as per audited statutory financial statements and restated profit after tax as per restated consolidated financial information**

Amount in ₹ Million

Particulars	30 Sep 2024	30 Sep 2023	31 March 2024	31 March 2023
<b>Total comprehensive Income/ (loss) as per audited consolidated financial statements</b>	<b>1,753.00</b>	2,063.07	3,428.66	1,730.83
Restatement Adjustments:	-	18.55	18.55	(18.55)
<b>Restated total comprehensive Income/ (loss) as per restated consolidated statement of profit and loss</b>	<b>1,753.00</b>	2,081.62	3,447.21	1,712.28

**Part B: Material regrouping/reclassifications**

Appropriate regrouping/reclassification have been made in the Restated Consolidated Balance Sheet, Restated Consolidated Statement of Profit and Loss & Restated Consolidated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities and cash flows, in order to align them in line with the accounting policies and classification as per the Audited consolidated financial statement for period ended on 30 September 2024 prepared in accordance with Schedule III (Division II) of the Act, as amended, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations') and the Guidance Note on Reports in Company Prospectuses (Revised 2019) as issued by the Institute of Chartered Accountants of India.

**Part C: Significant Observations reported in audited consolidated financial statements as at and for the periods ended 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023**

The Restated Consolidated Financial Statements and Auditor's Report have been prepared with figures mentioned in '₹' in Million although the figures in Auditor's Reports of respective years/periods are in '₹' in Crore. The note numbers referred below pertain to Restated Consolidated Financial Statements and not those mentioned in original Auditor's reports of respective years. The observations detailed are in respect of Emphasis of Matter, Report on Other Legal and Regulatory Requirements (CARO), Report on the Internal Financial Controls and C&AG Comments.

**A). Auditor's report on Interim Consolidated Financial Statements for the six months period ended on 30 September 2024 and 30 September 2023**

i. Emphasis of Matter:

1. Note No. 32(a) regarding balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to other parties as on 30 September, 2024 and 30 September, 2023 as the Company has practise to issue such letters only once in a year as on December 31. These balances are subject to confirmation / reconciliation and adjustment, if any and , will be accounted for on confirmation / reconciliation of the same.

2. Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years for development of the Green Hydrogen Hub in the State of Andhra Pradesh. As per the approval of the Board of Directors of the holding company ("NTPC Limited") and of the Company, an amount of ₹ 10,034.52 Million (net of refund received) incurred by holding company on this land was reimbursed by the Company to the holding company. Entire amount reimbursed is shown under "Right of Use asset" as on 30 September 2024 and 31 March 2024. Amortization of ROU, kept in Capital Work in Progress amounting to ₹ 202.75 Million as on 30 September 2024 and ₹ 50.85 Million as on 31 March 2024, commenced w.e.f. 19 February 2024 taking lease term as 33 years as the identification of underlying assets to be acquired and their useful life is yet to be ascertained by the management.

3. Foot-note (a) to Note 2 regarding title deeds of all the immovable properties, which are included under the head property, plant and equipment as on 30 September 2024 and 30 September 2023 are held in the name of the company except as follows:

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
(1)	(2)	(3)	(4)	(5)	(6)
Land-Freehold 5,458.05 Acres (5,458.05 Acres)	2,381.72 (2,381.72)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Land-Freehold 7.85 Acres (Nil)	4.55 (Nil)	Number of land owners	No	Financial Year 2023-24	Pending legal formalities.
Land- Right of Use 8,136.72 Acres (8,136.72 Acres)	2,347.98 (2,405)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Plant buildings, boundary walls etc.	1,027.23 (1,007.20)	NTPC Limited	Promoter	Since 28.02.2023	As stated above, transfer of title deeds of land, over which these assets are constructed, are pending.

Note: Figures in brackets represents area and amount as on 30 September 2023.

*The above matters do not require adjustment to Restated Consolidated Financial Information*

**B) (1). Auditor's report on Consolidated Financial Statements for the year ended 31 March 2024**

i. Emphasis of Matter:

1. Note No. 32(a) regarding obtaining periodic balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to certain other parties as on 31 December 2023. Some of such balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.

2. Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years with Andhra Pradesh Industrial Infrastructure Corporation Limited (“APIIC”) for development of the Green Hydrogen Hub in Andhra Pradesh whereas this land was earlier on lease with NTPC Limited (“Ultimate Holding Company”) since year 2014 and APIIC now agreed for transfer of allotment in the name of the Holding Company. As per the approval of the Board of Directors of the Ultimate holding Company and of the Holding Company, an amount of ₹ 10,034.52 Million (net of refund received) incurred by holding company till date was reimbursed by the Holding Company to the Ultimate Holding Company which includes down payment of lease charges of ₹ 7284.60 Million and various other charges, including interest on unpaid dues of land, GST on interest paid, restoration charges and various other amounts, aggregating to ₹ 2,749.92 Million. Entire amount reimbursed is shown under “Right of Use asset” as on 31 March 2024. Amortization of ROU commenced w.e.f. 19 February 2024 taking lease term as 33 years as useful life of underlying asset is not ascertainable at this stage.

ii. Report on Other Legal and Regulatory Requirements:

1. As required by paragraph 3(xxi) of the Companies (Auditor’s Report) Order, 2020 (“CARO”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that there is a qualification included in the CARO report in respect of Standalone Financial Statements of the holding company which are included in these Consolidated Financial Statements is as under:

“In our opinion and based on our examination, internal audit system needs improvement, in terms of (i) frequency of reporting, which is annual at present (ii) adequate coverage of operational activities/ areas of business conducted by the Company and (iii) adequate coverage of transaction audit including year-end material transactions, to make it commensurate with the size and nature of its business.”

iii. Report on the Internal Financial Controls with reference to Consolidate Financial Statements under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”):

Regarding operating effectiveness of internal financial controls with reference to Consolidated Financial Statements for the year ended 31 March 2024, we report as under:

1. Even though the reconciliation statements are prepared quarterly and signed by the Holding Company and customer (trade receivables), balance confirmation letters are not being sent to customers. In our opinion, balance confirmation should also be sought from customers annually. Refer Note No. 32(a) of Consolidated Financial Statements.

2. Employee benefit expenses including various allowances, benefit, and other reimbursements to employees of NTPC Limited (“Ultimate Holding Company”) on secondment with the Holding Company, are being posted directly in the books of account of the Holding Company by NTPC Limited through its payroll module which is being operated and controlled by NTPC Limited. We are informed that all the relevant details & supporting documents w. r. t. these expenses are maintained by NTPC only and the Holding Company receives employee-wise details of net payments to be made & TDS to be deposited monthly which results in no verification of these expenses by the Holding Company.

3. As per Ind AS 16 “Property, Plant and Equipment” (“PPE”), Items of spare parts, stand-by equipment and servicing equipment which meet the definition of PPE are to be capitalized. Even though procedure exists for identification / codification of such items, however, no item-wise consolidated list of such identified items, has been prepared by the Holding Company. In our opinion, a consolidated list of identified items to be classified as PPE should be compiled and updated at regular intervals to ensure that no such item is classified and held as inventory at the year end.

*The above matters do not require adjustment to Restated Consolidated Financial Information*

**B) (2). Comments of the Comptroller and Auditor General of India (C&AG) under section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements for the year ended on 31 March 2024**

Para 6 of Ind AS 7 stipulates that “Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents” while “Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity”.

Expert Advisory Committee of ICAI opined (04 January 2018) on classification of government grants related to assets in the statement of cash flow that receipt of grant related to assets is to be classified under investing activity.

‘Cash flow from Financing Activities’ includes ₹ 6403.25 Million on account of capital grant received from Solar Energy Corporation of India under MNRE scheme for setting up for Solar PV Power Projects to meet out the capital expenditure. Against the above said EAC opinion, the company classified this grant under ‘Cash Flow from Financing Activities,’ instead of under ‘Cash Flow from Investing Activities.’

This resulted in overstatement of ‘Cash Flow from Financing Activities’ and understatement of ‘Cash Flow from Investing Activities’ by ₹ 6403.25 Million each.

*The observation of the Comptroller and Auditor-General of India (C&AG) has been suitably adjusted in the Restated Consolidated Financial Statements (Refer Items of Statement of Cash flows before and after reclassification as at 31 March 2024 in note: 33(b)-Reclassifications and comparative figures)*

**C). Comments of the Comptroller and Auditor General of India (C&AG) under section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements for the year ended on 31 March 2023**

Para 8.1.12 of Guidance Note on Division II - Ind AS Schedule III, Companies Act 2013, inter-alia states that Capital advances are advances given for procurement of Property, Plant and Equipment, which are non-current assets; typically, companies do not expect to realize them in cash, rather, over the period, these get converted into Property, Plant and Equipment; hence, capital advances should be treated as other non-current assets irrespective of when the Property, Plant and Equipment are expected to be received

Other Financial Assets', however, includes ₹116.06 Million deposited by the company with NTPC Limited in respect of transfer of land pockets in respect of Rojmal and Jetsar solar projects, which in view of the above said Para 8.1.12 should be classified as Capital Advances under Non-Current Assets.

‘Other Financial Assets’ is therefore overstated and Capital Advances under ‘Other Non-Current Assets’ (Note 6) is understated, each by ₹116.06 Million.

*The observation of the Comptroller and Auditor-General of India (C&AG) has been suitably adjusted in the Restated Consolidated Financial Statements (Refer Items of Balance Sheet before and after reclassification as at 31 March 2023 in note: 33(b)-Reclassifications and comparative figures)*



**54. Subsequent Events**

1. Consequent upon successful commissioning and due approvals, third part capacity of 32.90 MW out of 300 MW Shambu Ki Burj-2 (Kolayat) Solar PV Project at Bikaner, Rajasthan of NTPC Green Energy Limited, is declared on Commercial Operation w.e.f. 00:00 Hrs of 31 October 2024.

For and on behalf of the Board of Directors

**(Manish Kumar)**  
CS

**(Neeraj Sharma)**  
CFO

**(Rajiv Gupta)**  
CEO

**(Jaikumar Srinivasan)**  
Director (Finance)  
(DIN 01220828)

**(Gurdeep Singh)**  
Chairman & Managing Director  
(DIN 00307037)

As per our report of even date attached

**For P. R. Mehra & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 000051N**

**(CA. Ashok Malhotra)**  
**Partner**  
**Membership No. 082648**  
**Date: 30/10/2024**  
**Place: New Delhi**

**SPECIAL PURPOSE CARVED-OUT COMBINED FINANCIAL STATEMENTS**

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**S.K. Mehta & Co.**  
Chartered Accountants  
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**Varma & Varma**  
Chartered Accountants  
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Hyderabad-500033

## **Report on the Audit of the Special Purpose Carved Out Combined Financial Statements of NTPC RE Group**

**To The Board of Directors**  
NTPC Green Energy Limited

### **Opinion**

We have audited the accompanying Special Purpose Carved Out Combined Financial Statements of 15 solar/ wind units (“RE Assets”) of NTPC Limited (“NTPC” or the “Holding Company”) and NTPC Renewable Energy Limited (“NREL”) and NTPC Green Energy Limited (“NGEL” or the “Issuer”) (the 15 RE Assets of NTPC Ltd., NREL and NGEL hereinafter collectively referred to as “NTPC RE Group”) which comprise the carved out combined balance sheet as at March 31, 2023 and March 31, 2022 and the related carved out combined statement of profit and loss, carved out combined statement of changes in equity/owner’s net investment and carved out combined statement of cash flows for the financial years then ended, and material accounting policy information and other explanatory information (collectively, referred to as the “Special Purpose Carved Out Combined Financial Statements”). The Special Purpose Carved Out Combined Financial Statements are prepared by NTPC’s management in accordance with the basis of the preparation as set out in Note No. 1(B) thereto, solely for use in relation to the preparation of the Draft Red Herring Prospectus, Red Herring Prospectus and a Prospectus, and any other documents in relation to the IPO (as defined herein after) (together, the “Offer Document”) to be filed by NGEL with the Securities and Exchange Board of India (SEBI), BSE Limited (“BSE”), National Stock Exchange (“NSE”) (together with BSE the “Stock Exchanges”) and Registrar of Companies (RoC), NCT of Delhi and Haryana in connection with the proposed initial public offer of equity shares (“IPO”) of NGEL.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, the accompanying Special Purpose Carved Out Combined Financial Statements is prepared, in all material respects, in accordance with the basis of preparation as set out in Note No. 1(B) thereto and give a true and fair view of the state of affairs of the NTPC RE Group as at March 31, 2023 and March 31, 2022 and of its profit (including other comprehensive income), statement of changes in equity/owner’s net investment and its cash flows for the financial years then ended in accordance with the Guidance Note on Combined and Carved Out Financial Statements (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (‘ICAI’) and the accounting principles generally accepted in India, including Ind AS.

### **Basis for Opinion**

We conducted our audit in terms of our engagement letter dated August 31, 2024 to carry out an audit of the Special Purpose Carved out Combined Financial Statements in accordance with the Guidance Note issued by ICAI and the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the “Act”) issued by the ICAI. Our responsibilities under those SAs are further described in the

Auditors' Responsibilities for the Audit of the Special Purpose Carved Out Combined Financial Statements section of our report.

We are independent of the Holding Company and the Issuer 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 Special Purpose Carved Out Combined Financial Statements, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Carved Out Combined Financial Statements.

### **Emphasis of Matter**

We draw attention to Note No. 1(B) to the Special Purpose Carved Out Combined Financial Statements, which describes the basis of preparation.

Our opinion is not modified in respect of the above matter.

### **Other Matters:**

1. The financial information of 15 RE Assets for the period from April 1, 2022 to February 28, 2023 and for the year ended March, 31, 2022 included in the Special Purpose Carved Out Combined Financial Statements were included in the standalone financial statements of NTPC for the years ended March 31, 2023 and March 31, 2022 respectively, which was audited by us along with the other joint statutory auditors of NTPC, on which audit reports dated May 19, 2023 and May 20, 2022 respectively have been issued by us along with the other joint statutory auditors of NTPC.
2. We did not audit the Consolidated Financial statements / financial information of NGEL for the year ended March 31, 2023 whose total assets, total revenues and net cash inflow, included in the Special Purpose Carved Out Combined Financial Statements for the relevant period is Rs1,84,338.80 million, Rs 1,696.90 million and Rs 727.40 million respectively. This financial information has been audited by the statutory auditor of NGEL, whose report has been furnished to us by the management and our opinion on the Special Purpose Carved Out Combined Financial Statements in so far as it relates to the amounts and disclosures included in respect of the NGEL is based solely on the report of the other auditor.
3. We did not audit the financial statements/ financial information of NREL for the year ended March 31, 2022 whose total assets, total revenue and net cash inflow, included in the Special Purpose Carved Out Combined Financial Statements for relevant year is Rs 8,950.52 million , Rs Nil and (-) Rs 7.57 million respectively These financial statements have been audited by the statutory auditor of NREL whose report has been furnished to us by the management and our opinion on the Special Purpose Carved Out Combined Financial Statements in so far as it relates to the amounts and disclosures included in respect of NREL, is based solely on the report of the other auditor.

4. These Special Purpose Carved Out Combined Financial Statements of NTPC RE Group was approved by the Board of NTPC in its meeting held on August 29, 2024, on which we have issued our audit report dated August 29, 2024. As stated in Note No. 1(B)(4), these Special Purpose Carved Out Combined Financial Statements of NTPC RE Group has been approved by the Board of Directors of NGEL in its meeting held on September 9, 2024, for the purposes stated thereunder.

Our opinion is not modified in respect of the above matters.

### **Management's Responsibility for the Special Purpose Carved Out Combined Financial Statements**

The Holding Company's & Issuer's Management and Board of Directors are responsible for preparation of these Special Purpose Carved Out Combined Financial Statements that give a true and fair view of the state of affairs, profit, changes in equity/owner's net investment and its cash flows of the NTPC RE Group 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 relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the NTPC RE Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Special Purpose Carved Out Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Carved Out Combined Financial Statements, the respective Management and Board of Directors of the combining businesses included in the NTPC RE Group are responsible for assessing the ability of each combining business to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the combining business or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies are also responsible for overseeing the financial reporting process in respect of preparation of the Special Purpose Carved Out Combined Financial Statements.

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Carved Out Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 Special Purpose Carved Out Combined 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 Special Purpose Carved Out Combined 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of Special Purpose Carved Out Combined Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the NTPC RE Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Special Purpose Carved Out Combined 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 auditors' report. However, future events or conditions may cause the NTPC RE Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Special Purpose Carved Out Combined Financial Statements including the disclosures, and whether the Special Purpose Carved Out Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and Issuer 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 of the Holding Company and Issuer 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.

### **Basis of Preparation and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note No. 1(B) to these Special Purpose Carved Out Combined Financial Statements, which describes the basis of preparation. The financial statements are prepared solely for use in relation to the preparation of the Offer Document of NGEL to be filed with the

SEBI, the Stock Exchanges and the RoC in connection with the proposed IPO of the Issuer. As a result, the Special Purpose Carved Out Combined Financial Statements may not be suitable for any other purpose. Our report is intended solely for the Issuer and statutory auditors of the Issuer for use in connection with the above purpose and should not be distributed to or used by parties without our prior written consent.

For S.K.Mehta & Co. For Varma & Varma  
Chartered Accountants  
FRN 000478N

Chartered Accountants  
FRN 004532S

(Rohit Mehta)  
Partner  
M. No.091382  
UDIN: 24091382BKARLO8889

(K P Srinivas)  
Partner  
M. No. 208520  
UDIN: 24208520BKBMAL1735

Place: New Delhi  
Date : September 9, 2024

Place: Bengaluru  
Date : September 9, 2024

# NTPC RE GROUP

## SPECIAL PURPOSE CARVED OUT COMBINED BALANCE SHEET

as at 31 March 2023 and 31 March 2022

Particulars	Note No.	Amount in ₹ Million	
		As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	1,47,581.23	75,210.35
Capital work-in-progress	3	17,493.45	64,256.89
Intangible assets	4	-	-
Financial assets			
Other financial assets	5	777.69	-
Other non-current assets	6	10,522.04	7,367.99
<b>Total non-current assets</b>		<b>1,76,374.41</b>	<b>1,46,835.23</b>
<b>Current assets</b>			
Inventories	7	93.00	57.38
Financial assets			
Trade receivables	8	3,254.98	1,776.47
Cash and cash equivalents	9	727.46	63.07
Other financial assets	10	3,806.00	-
Other current assets	11	58.10	116.05
<b>Total current assets</b>		<b>7,939.54</b>	<b>2,012.97</b>
<b>TOTAL ASSETS</b>		<b>1,84,313.95</b>	<b>1,48,848.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	47,196.11	-
Other equity (including Owner's Net Investment)	13	1,678.21	19,515.29
<b>Total equity attributable to owners</b>		<b>48,874.32</b>	<b>19,515.29</b>
Non-controlling interests	14	0.58	-
<b>Total equity</b>		<b>48,874.90</b>	<b>19,515.29</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	52,435.31	85,739.69
Lease liabilities	16	6,842.16	1,425.81
Other financial liabilities	16.1	-	27.07
Deferred tax liabilities (net)	17	10,864.90	11,520.97
Other non-current liabilities	18	16,945.90	10,306.51
<b>Total non-current liabilities</b>		<b>87,088.27</b>	<b>1,09,020.05</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	19	1,743.10	472.14
Lease liabilities	20	349.48	238.95
Trade payables	21		
Total outstanding dues of micro and small enterprises		129.00	0.59
Total outstanding dues of creditors other than micro and small		893.70	924.99
Other financial liabilities	22	44,489.01	18,345.64
Other current liabilities	23	746.49	325.31
Provisions	24	-	5.24
<b>Total current liabilities</b>		<b>48,350.78</b>	<b>20,312.86</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,84,313.95</b>	<b>1,48,848.20</b>

Material accounting policy Information

1

The accompanying notes 1 to 51 form an integral part of these Special Purpose Carved Out Combined financial statements.

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

Place : New Delhi  
Dated : 09 September 2024

This is the Special purpose Carved Out Combined Balance Sheet referred to in our report of even date

For S.K. Mehta & Co.  
Chartered Accountants  
Firm Reg. No.000478N

For Varma & Varma  
Chartered Accountants  
Firm Reg. No. 004532S

(Rohit Mehta)  
Partner  
M No. 091382  
Place : New Delhi  
Dated : 09 September 2024

(K P Srinivas)  
Partner  
M No. 208520  
Place : Bengaluru  
Dated : 09 September 2024

Digitally Signed by Signatories



# NTPC RE GROUP

## SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF PROFIT AND LOSS

*for the years ended 31 March 2023 and 31 March 2022*

Particulars	Note No.	For the year ended 31 March 2023	Amount in ₹ Million For the year ended 31 March 2022
<b>Income</b>			
Revenue from operations	25	14,497.09	9,104.21
Other income	26	78.18	78.22
<b>Total income</b>		<b>14,575.27</b>	9,182.43
<b>Expenses</b>			
Employee benefits expense	27	129.10	76.80
Finance costs	28	4,700.64	2,530.49
Depreciation and amortization expenses	29	4,564.83	2,827.62
Other expenses	30	1,271.83	1,078.53
<b>Total expenses</b>		<b>10,666.40</b>	6,513.44
<b>Profit before tax</b>		<b>3,908.87</b>	2,668.99
<b>Tax expense</b>	36		
Current tax		0.06	0.38
Deferred tax		(656.07)	1,721.19
<b>Total tax expense</b>		<b>(656.01)</b>	1,721.57
<b>Profit for the year</b>		<b>4,564.88</b>	947.42
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>4,564.88</b>	947.42
<b>Proftt attributable to:</b>			
Owners of the parent company		4,564.79	947.42
Non-controlling interest		0.09	-
<b>Total comprehensive income attributable to:</b>			
Owners of the parent company		4,564.79	947.42
Non-controlling interest		0.09	-

Material accounting policy Information

1

The accompanying notes 1 to 51 form an integral part of these Special Purpose Carved Out Combined Financial Statements.

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

Place : New Delhi

Dated : 09 September 2024

This is the Special purpose Carved Out Combined Statement of Profit and Loss referred to in our report of even date

For S.K. Mehta & Co.  
Chartered Accountants  
Firm Reg. No.000478N

For Varma & Varma  
Chartered Accountants  
Firm Reg. No. 004532S

(Rohit Mehta)  
Partner  
M No. 091382  
Place : New Delhi  
'Dated : 09 September 2024

(K P Srinivas)  
Partner  
M No. 208520  
Place : Bengaluru  
'Dated : 09 September 2024

*Digitally Signed by Signatories*

# NTPC RE GROUP

## SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF CHANGES IN EQUITY/ OWNER'S NET INVESTMENT FOR THE YEAR ENDED 31 MARCH 2023 & 31 MARCH 2022

### (A) Equity share capital

For the year ended 31 March 2023

Amount in ₹ Million

Particulars	Amount
Balance as at 1 April 2022	-
Changes in equity share capital due to prior period errors	-
Restated balance as at 1 April 2022	-
Changes in equity share capital during the year	47,196.11
Balance as at 31 March 2023	<b>47,196.11</b>

For the year ended 31 March 2022

Amount in ₹ Million

Particulars	Amount
Balance as at 1 April 2021	-
Changes in equity share capital due to prior period errors	-
Restated balance as at 1 April 2021	-
Changes in equity share capital during the year	-
Balance as at 31 March 2022	-

### (B) Other equity

For the year ended 31 March 2023

Amount in ₹ Million

Particulars	Reserves & surplus	Owner's Net Investment	Total
	Retained earnings		
<b>Attributable to owners</b>			
Balance as at 1 April 2022	(1,522.68)	21,037.97	19,515.29
Total comprehensive income for the year	4,564.88		4,564.88
<b>Sub Total</b>	<b>3,042.20</b>	<b>21,037.97</b>	<b>24,080.17</b>
Related Adjustment for Carved Out Financials*	(1,363.99)		(1,363.99)
Adjustment on account of BTA	-	(21,037.97)	(21,037.97)
<b>Balance as at 31 March 2023</b>	<b>1,678.21</b>	<b>-</b>	<b>1,678.21</b>

For the year ended 31 March 2022

Amount in ₹ Million

Particulars	Reserves & surplus	Owner's Net Investment	Total
	Retained earnings		
<b>Attributable to owners</b>			
Balance as at 1 April 2021	(2,470.10)	15,660.40	13,190.30
Total comprehensive income for the year	947.42		947.42
<b>Sub Total</b>	<b>(1,522.68)</b>	<b>15,660.40</b>	<b>14,137.72</b>
Net Movement in interunit balances	-	5,377.57	5,377.57
Balance as at 31 March 2022	(1,522.68)	21,037.97	19,515.29

\* Refer Note 13

For and on behalf of the Board of Directors

(Manish Kumar) CS	(Neeraj Sharma) CFO	(Rajiv Gupta) CEO	(Jaikumar Srinivasan) Director (Finance) (DIN 01220828)	(Gurdeep Singh) Chairman & Managing Director (DIN 00307037)
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Place : New Delhi  
Dated : 09 September 2024

This is the Special Purpose Carved Out Combined Statement of Changes in Equity/ Owner's Net Investment referred to in our report of even date

For S.K. Mehta & Co.  
Chartered Accountants  
Firm Reg. No.000478N

For Varma & Varma  
Chartered Accountants  
Firm Reg. No. 004532S

(Rohit Mehta)  
Partner  
M No. 091382  
Place : New Delhi  
Dated : 09 September 2024

(K P Srinivas)  
Partner  
M No. 208520  
Place : Bengaluru  
Dated : 09 September 2024

Digitally Signed by Signatories

NTPC RE GROUP

**SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF CASH FLOWS**  
for the years ended 31 March 2023 and 31 March 2022

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,908.87	2,668.99
Adjustment for:		
Depreciation, amortisation and impairment expense	4,564.83	2,827.62
Provisions	-	5.18
On account of government grants	(443.98)	(255.85)
Finance costs	4,634.41	2,515.91
Unwinding of discount on vendor liabilities	66.23	14.58
Interest income/Late payment Surcharge	(27.34)	(23.26)
Provisions written back	(5.24)	(1.26)
	8,788.91	5,082.92
Operating profit before working capital changes	12,697.78	7,751.91
Adjustment for:		
Trade receivables	(1,451.48)	(144.69)
Inventories	(35.62)	(2.27)
Trade payables, provisions, other financial liabilities and other liabilities	(3,655.84)	112.87
Other financial assets and other assets	(135.94)	(973.46)
	(5,278.88)	(1,007.55)
Cash generated from operations	7,418.90	6,744.36
Income taxes (paid) / refunded	(11.46)	(1.16)
Net cash from/(used in) operating activities - A	7,407.44	6,743.20
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, intangible assets	(28,692.53)	(44,741.39)
Interest income/Late payment Surcharge	0.31	7.82
Govt. Grant received	3,845.79	-
Income tax paid on income from investing activities	(0.05)	-
Net cash from/(used in) investing activities - B	(24,846.48)	(44,733.57)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non-current borrowings	70,333.91	47,305.27
Repayment/adjustment of non-current borrowings	(1,02,378.03)	(10,880.00)
Payment of lease obligations	(620.65)	(113.24)
Interest paid	(9,494.49)	(3,706.79)
Equity contribution received	47,196.11	-
Other changes in owner's net investment	13,066.58	5,377.57
Net cash from/(used in) financing activities - C	18,103.43	37,982.81
Net increase/(decrease) in cash and cash equivalents (A+B+C)	664.39	(7.56)
Cash and cash equivalents at the beginning of the year	63.07	70.63
Cash and cash equivalents at the end of the year	727.46	63.07

Notes

1 Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-'Statement of cash flows'.

2 Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and deposits with original maturity of upto three months.

3 Reconciliation of cash and cash equivalents:

Cash and cash equivalents as per Note 9	727.46	63.07
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4 Refer Note 43 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

# NTPC RE GROUP

## SPECIAL PURPOSE CARVED OUT COMBINED STATEMENT OF CASH FLOWS

*for the years ended 31 March 2023 and 31 March 2022*

5 Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

### For the year ended 31 March 2023

Particulars	Non-current borrowings*	Finance lease obligations	Current borrowings
Opening balance as at 1 April 2022	88,990.05	1,664.76	-
Cash flows during the year	(41,538.61)	(620.65)	-
Non-cash changes due to:			
- Adjustment/Acquisitions under finance lease	-	6,147.53	-
- Interest on borrowings	6,716.27	-	-
- Transaction costs on borrowings	10.70	-	-
<b>Closing balance as at 31 March 2023</b>	<b>54,178.41</b>	<b>7,191.64</b>	<b>-</b>

### For the year ended 31 March 2022

Particulars	Non-current borrowings*	Finance lease obligations	Current borrowings
Opening balance as at 1 April 2021	51,400.69	783.82	-
Cash flows during the year	32,718.48	(113.24)	-
Non-cash changes due to:			
- Adjustment/Acquisitions under finance lease	-	994.18	-
- Interest on borrowings	4,866.58	-	-
- Transaction costs on borrowings	4.30	-	-
<b>Closing balance as at 31 March 2022</b>	<b>88,990.05</b>	<b>1,664.76</b>	<b>-</b>

\* Includes current maturities of non-current borrowings and interest accrued as mentioned below

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Current maturities of non-current borrowings	1,743.10	472.14	10,874.70
Interest accrued on borrowings	-	2,778.22	1,618.43
<b>Total</b>	<b>1,743.10</b>	<b>3,250.36</b>	<b>12,493.13</b>

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

Place : New Delhi

Dated : 09 September 2024

This is the Special Purpose Carved Out Combined Statement of Cash Flows referred to in our report of even date

For S.K. Mehta & Co.  
Chartered Accountants  
Firm Reg. No.000478N

For Varma & Varma  
Chartered Accountants  
Firm Reg. No. 004532S

(Rohit Mehta)  
Partner  
M No. 091382  
Place : New Delhi  
Dated : 09 September 2024

(K P Srinivas)  
Partner  
M No. 208520  
Place : Bengaluru  
Dated : 09 September 2024

*Digitally Signed by Signatories*

## **NTPC RE Group**

### **Notes Forming part of Special Purpose Carved Out Combined Financial Statements**

#### **Note 1. Group Information and Material Accounting Policy Information (NTPC RE Group)**

##### **A. Background**

NTPC Limited (the “Company” or “NTPC”) is a Company domiciled in India and limited by shares (CIN: L40101DL1975GOI007966). NTPC is primarily involved in the generation and sale of bulk power to State Power Utilities. Other business of the Company includes providing consultancy, project management & supervision, energy trading, oil & gas exploration and coal mining.

NTPC Green Energy Limited (“NGEL”), a wholly owned subsidiary of NTPC, was incorporated on 7 April 2022. Pursuant to the issuance of National Monetisation Pipeline (“NMP”) by the Ministry of Finance on August 23, 2021, and in consultation with the Ministry of Power, the Renewable Energy Assets (“RE Assets”) of NTPC were identified for the purpose of monetisation under the NMP and accordingly the Board of Directors of the Company had approved the transfer of fifteen RE Assets of the Company to NGEL at book value, through a Business Transfer Agreement (BTA) dated 8 July 2022. Further, the Company was also to transfer its 100% equity shareholding held in NTPC Renewable Energy Limited (“NREL”) at cost, a wholly owned subsidiary of the Company, to NGEL through a share purchase agreement dated 8 July, 2022. Pursuant to the above, the transfer of the RE assets and 100% equity shareholding in NREL, to NGEL, were completed on 28 February 2023.

The special purpose carved out combined financial statements comprise the financial statements of 15 Renewable Energy (RE) Assets of the Company, NTPC Renewable Energy Limited (NREL), a wholly owned subsidiary of NGEL and NGEL- (collectively referred as NTPC RE Group). This special purpose carved out combined financial statements of NTPC RE Group for the years ended March 31, 2023 and March 31, 2022 (“Special Purpose Carved Out Combined Financial Statements”) have been prepared as per the 'Basis of preparation' and for the purposes as set out in Note B below.

##### **B. Basis of preparation**

This Special Purpose Carved Out Combined Financial Statements have been prepared in accordance with the Guidance Note on Combined and Carve-Out Financial Statements (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) to reflect the state of affairs, profit, statement of the changes in equity/owner’s net investment and cash flows of the NTPC RE Group for the respective years, for use in relation to the preparation of the Draft Red Herring Prospectus, Red Herring Prospectus and a Prospectus and any other documents in relation to the IPO (as defined herein after) (together, the “Offer Document”) to be filed by NGEL with the Securities and Exchange Board of India (SEBI), BSE Limited (“BSE”), National Stock Exchange (“NSE”) (together with BSE the “Stock Exchanges”) and Registrar of Companies (RoC), NCT of Delhi and Haryana in connection with the proposed initial public offer of equity shares (“IPO”) of NGEL..

The Special Purpose Carved Out Combined Financial Statements includes the carve-out business in respect of 15 Solar/Wind units (part of the standalone financial statements of NTPC till February 28, 2023) (the “Carve-Out Business”) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and Consolidated Financial Statements of NGEL for the year ended March 31, 2023 (the Carve-Out Business, NREL and NGEL hereinafter collectively referred to as the “Combining Businesses”) . The details of the Combining Businesses stated above are as follows:

Sl No.	Combining Businesses	Description of Activities
	<b>Carve-Out Business - Solar/ Wind Units (Under NTPC till 28.02.23)</b>	
1	Rojmal	Power Generation – Wind
2	Mandsaur	Power Generation – Solar
3	Bhadla	Power Generation – Solar
4	Ananthpur	Power Generation – Solar
5	Rajgarh	Power Generation – Solar
6	Bilhaur-1	Power Generation – Solar
7	Bilhaur-2	Power Generation – Solar
8	Jetsar	Power Generation – Solar
9	Shimbhoo Ka Bhurj-1	Power Generation – Solar
10	Shimbhoo Ka Bhurj-2	Power Generation – Solar
11	Fatehgarh	Power Generation – Solar
12	Devikot-1	Power Generation – Solar
13	Devikot-2	Power Generation – Solar
14	Ettayapuram	Power Generation – Solar
15	Nokhra	Power Generation – Solar
	<b>Subsidiary of NTPC</b>	
16	NREL - Direct Subsidiary of NTPC till 28.02.23 and Subsidiary of NGEL subsequently	Power Generation - non-conventional / renewable energy sources such as wind, and solar or any other non conventional form
17	NGEL w.e.f. 7 April 2022	Power Generation - non-conventional / renewable energy sources such as wind, and solar or any other non conventional form

As per the Guidance Note, the procedure for preparing combined financial statements of the Combining Businesses is the same as that for consolidated financial statements as per the applicable Indian Accounting Standards. The information presented in the Special Purpose Carved Out Combined Financial Statements may not be representative of the position which has prevailed after the transaction in relation to transfer of RE Assets and investment in NREL. The resulting financial position may not be that which might have existed if the Combining Businesses had been a stand-alone business.

The Special Purpose Carved Out Combined Financial Statements have been prepared on a going concern basis considering the material accounting policies stated below.

The procedure followed for the preparation of the Special Purpose Carved Out Combined Financial Statements is as given below:

- (a) The financial information for the NTPC RE Group included in the Special Purpose Carved Out Combined Financial Statements have been extracted from the audited standalone financial statements of NTPC, NREL and Consolidated Financial Statements of NGEL to the extent considered necessary, for the years ended March 31, 2023 and March 31, 2022 as applicable, which had been prepared basis in accordance Indian Accounting Standards ('Ind AS') notified under the Section 133 of the Companies Act, 2013 ('the Act') and other generally accepted accounting principles in India.
- (b) Since these Special Purpose Carved Out Combined Financial Statements have been prepared for use in connection with the proposed IPO of NGEL as stated above, the same

has been presented based on the latest audited Consolidated Financial Statements of NGEL and has been prepared in accordance with the accounting policies applied therein. Refer Note No.35 for adjustments in this regard.

- (c) The historical costs and expenses reflected in the Special Purpose Carved Out Combined Financial Statements include an allocation for certain corporate and shared service functions are based on the individual unit level financial statements wherein the same have been allocated either on the basis of actual usage when identifiable or on such other basis which provides a reasonable reflection of the historical utilisation levels of these services.
- (d) In terms of BTA, the following assets and liabilities of the Carve Out Business are excluded from the scope of the business transfer and has accordingly not been included in the Special Purpose Carved Out Combined Financial Statements.
  - a. Land situated in Bilhaur
  - b. Employee related balances (loans, advances, deferred payroll expenses, employee related payables, remeasurement of defined benefit plans forming part of other equity)
  - c. Tax related balances
- (e) Trade receivables and borrowings including interest accrued relating to the Carve Out Business, which were accounted centrally in the SAP Business Area relating to Corporate Centre of NTPC has been specifically identified and incorporated at their respective year end carrying values in the financial information included in the Special Purpose Carved Out Combined Financial Statements, with corresponding adjustment in the Owner's Net Investment. The borrowings do not form part of liabilities that have been transferred.
- (f) Approval for assignment/novation of right-of-use land pertaining to Rojmal project and Jetsar project (part of the Carve-Out Business) is yet to be consented by the lessor, pending which the carrying value of right-of-use land net of the corresponding lease liabilities pertaining to Rojmal project and Jetsar project have been included under other non-current assets post transfer of RE assets pursuant to the BTA and presented accordingly in the Special Purpose Carved Out Combined Financial Statements.
- (g) Deferred Tax liability in respect of the Carve-Out Business has been determined considering the applicability of various provisions of the Income Tax Act and having regard to the expert opinion obtained in this regard, which has been appropriately recognised in the Special Purpose Carved Out Combined Financial Statements, with corresponding adjustment in the Owner's Net Investment.
- (h) Since these statements have been prepared on carve out combined basis, it is not meaningful to show a share capital or provide an analysis of reserves for the period prior to the date of incorporation of NGEL. Other Equity (representing owner's investment) disclosed in the Special Purpose Carved Out Combined Financial Statements therefore represents the difference between the assets and liabilities pertaining to the NTPC RE Group, duly adjusted for the balances carried in reserves and surplus. The balance in reserves and surplus represents retained earnings pertaining to the Combining Businesses which has been determined based on the closing balances as of March 31, 2021 duly adjusted for the profit including other comprehensive income for the respective financial year.
- (i) The equity share capital of NGEL as at March, 31, 2023 is ₹ 47196.11 million represented by 471,96,11,035 shares of par value ₹ 10/- each which were allotted to NTPC in the month

of March 2023. Since the Statement of Profit & Loss presents the operating results for the entire financial year, it is not practical to determine and disclose the earnings per share in the Special Purpose Carved Out Combined Financial Statements.

- (j) For the limited purpose of preparation of the Statement of Cash Flows for the year ended March 31, 2022, a Carved Out Combined Balance Sheet as at March 31, 2021 has been prepared by the management based on information extracted from the audited financials of respective entities.

Management believes the assumptions underlying the Special Purpose Carved Out Combined Financial Statements including the assumptions regarding the allocation of general corporate expenses, are reasonable. Nevertheless, the Special Purpose Carved Out Combined Financial Statements may not include all of the actual expenses that would have been incurred had it been operated as a standalone company during the periods presented and may not reflect the combined results of operations, financial position and cash flows had it operated as a standalone company during the periods presented, since the actual costs that would have been incurred if it had been operated as a standalone company would depend on multiple factors, including organisational structure and strategic decisions made in various areas, including information technology and infrastructure and other additional costs.

Events occurring after the date of approval of the financial statements of NTPC, NGEL and NREL for the respective years, if any, have not been adjusted in the Special Purpose Carved Out Combined Financial Statements.

These carved out combined financials have been prepared on a carved out basis to present the assets and liabilities of the NTPC RE Group at these dates, as if the Group had been in existence as at these dates. As a result, these financial statements may not be suitable for any other purpose.

#### **1. Basis of measurement**

The carved out combined financial statements have been prepared on historical cost basis except for:

- Certain financial assets and liabilities that are measured at fair value (refer serial no. C.21 of accounting policy regarding financial instruments).

The methods used to measure fair values are discussed in notes to the financial statements.

#### **2. Functional and presentation currency**

These carved out combined financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest million (upto two decimals), except when indicated otherwise.

#### **3. Current and non-current classification**

The Group classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

#### **4. Approval of these financial statements**



The special purpose carved out combined financial statements of the NTPC RE Group were approved for issue by the Board of Directors of NTPC in its meeting held on 29 August 2024, on which an audit report dated 29 August 2024 has been issued. Subsequently, these financial statements has been approved by the Board of Directors of NGEL on 9 September, 2024 for use in relation to the preparation of Offer Document to be filed by NGEL with the SEBI, the Stock Exchanges and RoC NCT of Delhi and Haryana in connection with the proposed IPO of its equity shares.

## **C. Material accounting policies**

A summary of the material accounting policies applied in the preparation of the carved out combined financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the carved out combined financial statements.

### **1. Basis of consolidation**

The carved out combined financial statements of the NTPC RE Group have been prepared by applying the Guidance note referred above. While applying the above guidance, financial statements / information of the entities have been combined on the following basis:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the combining businesses;
- b) Inter-company transactions, balances and unrealised gains/losses on transactions between the entities in the group are eliminated;
- c) Disclose non-controlling interest where 100% shares are not held.

Carved Out Combined financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

### **2. Property, plant and equipment**

#### **2.1. Initial recognition and measurement**

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Group to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

## 2.2. Subsequent costs

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Group uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

## 2.3. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

## 2.4. Depreciation/amortization

Depreciation on the assets of the generation of electricity business covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the assets of the power plants and on the assets of Corporate & other offices of the Company not governed by CERC Tariff Regulations is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013 except for the assets referred below.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutch roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year
e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years

g) Furniture, Fixture, Office equipment and Communication equipment	5-15 years
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Capital spares are depreciated considering the useful life up to 25 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Group and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Refer policy no. C.14 in respect of depreciation/amortization of right-of-use assets other than land and buildings.

### **3. Capital work-in-progress**

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

### **4. Intangible assets and intangible assets under development**

#### **4.1. Initial recognition and measurement**

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

#### **4.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

### **4.3. De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### **4.4. Amortization**

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

## **5. Borrowing costs**

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– ‘Leases’.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred

The Group can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalisation. However, the Group does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

## **6. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average basis.

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete,

unserviceable, surplus spares is ascertained and provided for.

## **7. Government grants**

Government grants are recognized when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

## **8. Provisions, contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

## **9. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange

differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in OCI.

## **10. Revenue**

Group's revenues arise from sale of energy, consultancy, project management & supervision services, and other income. Revenue from other income comprises interest from banks, contractors etc., dividend from investments in joint venture & subsidiary companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

### **10.1. Revenue from sale of energy**

A portion of Revenue from sale of energy is accounted for based on tariff rates approved by the CERC. In such cases, Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Revenue from sale of energy saving certificates/carbon credits is accounted for as and when sold.

### **10.2. Revenue from services**

Revenue from consultancy, project management and supervision services rendered is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services, which is determined on output method and excludes amounts collected on behalf of third parties. The Group recognizes revenue when the performance obligation is satisfied, which typically occurs when control over the services is transferred to a customer.

Reimbursement of expenses is recognized as other income, as per the terms of the service contracts.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

### **10.3. Other income**

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

## **11. Employee benefits**

The employees of the Group are on secondment from NTPC Limited (the parent company). Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of arrangement with the Parent Company, the Group is required to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Group. Accordingly, these employee benefits are treated as defined contribution schemes.

## **12. Other expenses**

Expenses on training & recruitment are charged to the Statement of Profit and Loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance/winning of project under tender based competitive bidding system are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

### **13. Income tax**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

When there is uncertainty regarding income tax treatments, the Group assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Group evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

### **14. Leases**

#### **As lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and buildings) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment whether it will exercise an extension or a termination option.

## **15. Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount

that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

## **16. Operating segments**

In accordance with Ind AS 108-‘Operating segments’, the operating segments used to present segment information are identified on the basis of internal reports used by the Group’s management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group’s ‘Chief Operating Decision Maker’ or ‘CODM’ within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

## **17. Dividends**

Dividends and interim dividends payable to the Group’s shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

## **18. Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

## **19. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

## **20. Statement of cash flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-‘Statement of cash flows’.

## **21. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

### **21.1. Financial assets**

#### **Initial recognition and measurement**

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

#### **Subsequent measurement**

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Business model assessment**

The Group holds financial assets which arise from its ordinary course of business. The objective of the business model for these financial assets is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

### **Investment in Equity instruments**

Equity investments in subsidiaries and joint venture companies are accounted at cost less impairment, if any.

The Group reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

### **De-recognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

### **Impairment of financial assets**

In accordance with Ind AS 109-'Financial instruments', the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Lease receivables under Ind AS 116.
- (c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

For trade receivables and contract assets/unbilled revenue, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

## **21.2. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Group's financial liabilities include trade and other payables, borrowings.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **De-recognition**

A financial liability is derecognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **21.3. Offsetting of financial assets and financial liabilities**

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

## **22. Non -Current Assets Held for Sale**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered 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 held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

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

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.14.

## **D. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

### **1. Formulation of accounting policies**

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

### **2. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### **3. Recoverable amount of property, plant and equipment and intangible assets**

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

### **4. Revenues**

The Group records a part of revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

### **5. Leases not in legal form of lease**

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

### **6. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37,- 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

### **7. Impairment test of investments in Subsidiaries and Joint Venture Companies**

The recoverable amount of investment in subsidiaries and joint venture companies is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Group. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

### **8. Income taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

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## NTPC RE GROUP

### 2. Non-current assets - Property, plant and equipment

As at 31 March 2023

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million	
	As at	Additions	Deductions/ adjustments	As at	As at	For	Deductions/ adjustments	Upto	As at	
	1 April 2022			31 March 2023	1 April 2022	the year			31 March 2023	31 March 2023
Land (including development expenses)										
Freehold	2,798.61	519.82	-	3,318.43	-	-	-	-	3,318.43	
Right of use	3,020.66	6,485.45	(232.90)	9,273.21	292.20	315.46	(37.82)	569.84	8,703.37	
Roads, bridges, culverts and helipads	53.23	202.25	-	255.48	8.32	12.41	(0.01)	20.72	234.76	
Building										
Freehold										
Main plant	76.44	298.38	-	374.82	1.05	7.99	-	9.04	365.78	
Others	106.96	514.43	-	621.39	14.21	13.72	-	27.93	593.46	
Right of use	2.15	0.87	-	3.02	1.89	0.45	-	2.34	0.68	
Temporary erections	35.34	6.67	-	42.01	35.30	3.17	-	38.47	3.54	
Water supply, drainage and sewerage system	3.19	83.10	-	86.29	0.16	6.69	0.01	6.86	79.43	
Plant and equipment										
Owned	81,297.78	69,226.88	(0.73)	1,50,523.93	11,856.06	4,428.59	(0.34)	16,284.31	1,34,239.62	
Furniture and fixtures	3.44	-	(0.31)	3.13	2.27	0.24	(0.27)	2.24	0.89	
Office equipment	3.06	0.45	(0.62)	2.89	2.32	0.10	(0.50)	1.92	0.97	
EDP, WP machines and satcom equipment	4.86	-	(0.29)	4.57	3.97	0.26	(0.29)	3.94	0.63	
Electrical installations	5.26	20.44	-	25.70	0.72	0.95	-	1.67	24.03	
Communication equipment	26.81	1.59	(0.10)	28.30	8.97	3.78	(0.09)	12.66	15.64	
<b>Total</b>	<b>87,437.79</b>	<b>77,360.33</b>	<b>(234.95)</b>	<b>1,64,563.17</b>	<b>12,227.44</b>	<b>4,793.81</b>	<b>(39.31)</b>	<b>16,981.94</b>	<b>1,47,581.23</b>	

As at 31 March 2022

Particulars	Gross block				Depreciation and amortization				Amount in ₹ Million	
	As at	Additions	Deductions/ adjustments	As at	As at	For	Deductions/ adjustments	Upto	As at	
	1 April 2021			31 March 2022	1 April 2021	the year			31 March 2022	31 March 2022
Land (including development expenses)										
Freehold	1,574.05	1,224.56	-	2,798.61	-	-	-	-	2,798.61	
Right of use	1,165.45	1,392.29	462.92	3,020.66	158.60	71.43	62.17	292.20	2,728.46	
Roads, bridges, culverts and helipads	11.98	41.25	-	53.23	6.95	1.37	-	8.32	44.91	
Building										
Freehold										
Main plant	-	76.44	-	76.44	-	1.05	-	1.05	75.39	
Others	62.48	44.48	-	106.96	11.27	2.94	-	14.21	92.75	
Right of use	5.57	-	(3.42)	2.15	2.16	3.15	(3.42)	1.89	0.26	
Temporary erections	35.27	0.07	-	35.34	35.27	0.03	-	35.30	0.04	
Water supply, drainage and sewerage system	0.16	3.03	-	3.19	0.13	0.03	-	0.16	3.03	
Plant and equipment										
Owned	61,966.36	19,675.33	(343.91)	81,297.78	9,185.65	2,754.05	(83.64)	11,856.06	69,441.72	
Furniture and fixtures	3.37	-	0.07	3.44	1.90	0.33	0.04	2.27	1.17	
Office equipment	2.86	0.20	-	3.06	2.14	0.18	-	2.32	0.74	
EDP, WP machines and satcom equipment	4.86	-	-	4.86	3.61	0.36	-	3.97	0.89	
Electrical installations	0.84	4.42	-	5.26	0.55	0.17	-	0.72	4.54	
Communication equipment	25.03	1.78	-	26.81	5.41	3.56	-	8.97	17.84	
<b>Total</b>	<b>64,858.28</b>	<b>22,463.85</b>	<b>115.66</b>	<b>87,437.79</b>	<b>9,413.64</b>	<b>2,838.65</b>	<b>(24.85)</b>	<b>12,227.44</b>	<b>75,210.35</b>	

a) The conveyancing of the title to 5458.71 acres of freehold land of value ₹ 2,381.72 Million (31 March 2022: 5,440.49 acres of value ₹ 2,296.23 Million) are awaiting completion of legal formalities and execution of lease agreements for 30,903.30 acres of right of use land of value ₹ 8,554.11 Million (31 March 2022: 7,747.73 acres of value ₹ 2,305.74 Million) in favour of the NGEL are awaiting completion of legal formalities.

b) The Right of use land is capitalised at the present value of land lease/charges. Refer Note 48 regarding property, plant and equipment under leases.

c) Spare parts of ₹ 5 lakh and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized.

d) Property, plant and equipment costing ₹ 5,000/- or less, are depreciated fully in the year of acquisition.

e) Refer Note 50 (C) (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

f) Gross carrying amount of the fully depreciated/amortised property, plant and equipment that are still in use:

	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Roads, bridges, culverts and helipads	3.24	2.54
Other building	2.38	2.38
Furniture and fixtures	0.92	0.74
Other office equipment	1.84	2.12
EDP, WP machines and satcom equipment	2.99	3.26
Electrical installations	0.65	-
Communication equipment	2.39	1.83
Others	38.70	36.18
	<b>53.11</b>	<b>49.05</b>

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### 3. Non-current assets - Capital work-in-progress

As at 31 March 2023

Particulars	Amount in ₹ Million				
	As at 1 April 2022	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2023
Development of land	-	66.35	(66.35)	-	-
Buildings					
Freehold					
Main plant	-	0.41	(0.41)	-	-
Others	415.90	339.98	(1.80)	754.08	-
Plant and equipment - owned	59,766.17	24,335.16	(5,707.07)	63,855.02	14,539.24
Communication equipment	-	1.59	(1.59)	-	-
	<b>60,182.07</b>	<b>24,743.49</b>	<b>(5,777.22)</b>	<b>64,609.10</b>	<b>14,539.24</b>
<b>Expenditure pending allocation</b>					
Survey, investigation, consultancy and supervision charges	21.68	(43.34)	21.66	-	(0.00)
Expenditure during construction period (net)*	3,633.76	3,502.68	175.59	-	7,312.03
Other expenditure directly attributable to project construction	-	712.92	-	-	712.92
Less: Allocated to related works	-	5,094.04	-	-	5,094.04
	<b>3,655.44</b>	<b>(921.78)</b>	<b>197.25</b>	<b>-</b>	<b>2,930.91</b>
Sub-total	63,837.51	23,821.71	(5,579.97)	64,609.10	17,470.15
<b>Construction stores (net of provisions)</b>	419.38	10.22	(406.30)	-	23.30
<b>Total</b>	<b>64,256.89</b>	<b>23,831.93</b>	<b>(5,986.27)</b>	<b>64,609.10</b>	<b>17,493.45</b>

\* Brought from expenditure during construction period (net) - Note 31

As at 31 March 2022

Particulars	Amount in ₹ Million				
	As at 1 April 2021	Additions	Deductions/ adjustments	Capitalized	As at 31 March 2022
Development of land	1.66	955.18	(697.29)	259.55	-
Buildings					
Freehold					
Main plant	-	1.88	(1.88)	-	-
Others	276.03	572.12	(75.40)	356.85	415.90
Plant and equipment - owned	31,047.94	47,907.06	328.06	19,516.89	59,766.17
Office equipment	0.19	-	-	0.19	-
Communication equipment	1.37	0.41	(1.37)	0.41	-
	31,327.19	49,436.65	(447.88)	20,133.89	60,182.07
<b>Expenditure pending allocation</b>					
Survey, investigation, consultancy and supervision charges	25.53	(3.85)	-	-	21.68
Expenditure during construction period (net)*	967.53	3,246.06	453.95	-	4,667.54
Other expenditure directly attributable to project construction	38.21	(38.21)	-	-	-
Less: Allocated to related works	-	1,033.78	-	-	1,033.78
	1,031.27	2,170.22	453.95	-	3,655.44
Sub-total	32,358.46	51,606.87	6.07	20,133.89	63,837.51
<b>Construction stores (net of provisions)</b>	4,695.62	13.53	(4,289.77)	-	419.38
<b>Total</b>	<b>37,054.08</b>	<b>51,620.40</b>	<b>(4,283.70)</b>	<b>20,133.89</b>	<b>64,256.89</b>

\* Brought from expenditure during construction period (net) - Note 31



## NTPC RE GROUP

### 4. Non-current assets - Intangible assets

As at 31 March 2023

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the year	Deductions/ adjustments	Upto	Net block
	1 April 2022			31 March 2023	1 April 2022			31 March 2023	31 March 2023
Software	1.74	-	-	1.74	1.74	-	-	1.74	-
	<b>1.74</b>	<b>-</b>	<b>-</b>	<b>1.74</b>	<b>1.74</b>	<b>-</b>	<b>-</b>	<b>1.74</b>	<b>-</b>

As at 31 March 2022

Particulars	Gross block				Amortization				Amount in ₹ Million
	As at	Additions	Deductions/ adjustments	As at	As at	For the year	Deductions/ adjustments	Upto	Net block
	1 April 2021			31 March 2022	1 April 2021			31 March 2022	31 March 2022
Software	1.74	-	-	1.74	1.72	0.02	-	1.74	-
Right to use - Land	472.11	-	(472.11)	-	54.43	16.93	(71.36)	-	-
<b>Total</b>	<b>473.85</b>	<b>-</b>	<b>(472.11)</b>	<b>1.74</b>	<b>56.15</b>	<b>16.95</b>	<b>(71.36)</b>	<b>1.74</b>	<b>-</b>

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### 5. Non current assets-Other financial assets

Particulars	Amount in ₹ Million	
	As at	As at
	31 March 2023	31 March 2022
Security Deposit	777.69	-
	777.69	-

### 6. Other non-current assets

Particulars	Amount in ₹ Million	
	As at	As at
	31 March 2023	31 March 2022
<b>Capital advances</b>		
(Considered good unless otherwise stated)		
Unsecured		
Covered by bank guarantees	9,598.61	4,958.35
Others	911.05	1,458.85
	10,509.66	6,417.20
<b>Advances other than capital advances</b>		
(Considered good unless otherwise stated)		
Security Deposit	0.15	950.01
Advance tax and tax deducted at source	12.30	1.17
Less: Provision for tax	(0.07)	(0.39)
	12.38	950.79
<b>Total</b>	<b>10,522.04</b>	<b>7,367.99</b>

- a) Capital advances covered by BGs are paid to the EPC contractors as per the terms & conditions of the contracts.
- b) Capital advances include an amount of ₹ 241.74 Million (31 March 2022: ₹ Nil) given as advance against works to NTPC GE Power Services Pvt Ltd (related party) which is an associate company, being joint venture company of NTPC Ltd.
- c) Other capital advance mainly includes ₹ 118.00 Million (31 March 2022: ₹ 118.00 Million) for application money to New & Renewable Energy Development Corporation of Andhra Pradesh Ltd for Land allotment, ₹ 311.20 Million (31 March 2022: ₹ 712.90 Million) towards 4750 MW Solar park internal road work to R&B Division, Gujarat, ₹ 149.48 Million (31 March 2022: ₹ 132.00 Million) to RUMSL towards comprehensive charges for Shajapur Solar Park and other State Govt agencies for capital works.
- d) Security deposit includes ₹ Nil (31 March 2022 : ₹ 950.00 Million) given to Government of Gujarat for 4750 MW RE park at Rann of Kutch, Gujarat, refundable on commissioning of full capacity. As per the terms, capacity is required to be commissioned within 5 years from the date of land lease agreement which is expected to be signed after completion of certain formalities.

**7. Current assets - Inventories**

Amount in ₹ Million

Particulars	As at	As at
	31 March 2023	31 March 2022
Stores and spares	87.38	51.97
Chemicals and consumables	0.76	0.10
Others	4.86	5.31
<b>Total</b>	<b>93.00</b>	<b>57.38</b>

- a) Inventory items have been valued as per accounting policy no. C.6 (Note 1).  
b) Inventories - Others includes cables etc.  
c) Refer Note 34 for information on inventories consumed and recognised as expense during the year.

**8. Current financial assets - Trade receivables**

Amount in ₹ Million

Particulars	As at	As at
	31 March 2023	31 March 2022
Trade receivables		
Unsecured, considered good	3,254.98	1,776.47
Credit impaired	-	-
	<b>3,254.98</b>	<b>1,776.47</b>
Less: Allowance for credit impaired trade receivables	-	-
<b>Total</b>	<b>3,254.98</b>	<b>1,776.47</b>

- a) Amounts receivable from related parties are disclosed in Note 38

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(b) Trade Receivables ageing schedule

As at 31 March 2023

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,007.90	1,189.80	879.80	-	-	-	-	3,077.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit impaired								-
(iv) Disputed Trade Receivables–considered good	-	2.83	20.23	19.90	40.94	16.43	77.15	177.48
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit impaired								-
<b>Sub-total</b>	<b>1,007.90</b>	<b>1,192.63</b>	<b>900.03</b>	<b>19.90</b>	<b>40.94</b>	<b>16.43</b>	<b>77.15</b>	<b>3,254.98</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,007.90</b>	<b>1,192.63</b>	<b>900.03</b>	<b>19.90</b>	<b>40.94</b>	<b>16.43</b>	<b>77.15</b>	<b>3,254.98</b>

(b) Trade Receivables ageing schedule

As at 31 March 2022

Amount in ₹ Million

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	997.62	612.59	25.95	-	-	-	-	1,636.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								-
(iii) Undisputed Trade Receivables – credit impaired								-
(iv) Disputed Trade Receivables–considered good	3.03	2.76	18.98	21.96	16.43	30.86	46.29	140.31
(v) Disputed Trade Receivables – which have significant increase in credit risk								-
(vi) Disputed Trade Receivables – credit impaired								-
<b>Sub-total</b>	<b>1,000.65</b>	<b>615.35</b>	<b>44.93</b>	<b>21.96</b>	<b>16.43</b>	<b>30.86</b>	<b>46.29</b>	<b>1,776.47</b>
Less: Allowance for credit impaired trade receivables	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,000.65</b>	<b>615.35</b>	<b>44.93</b>	<b>21.96</b>	<b>16.43</b>	<b>30.86</b>	<b>46.29</b>	<b>1,776.47</b>

**9. Current financial assets - Cash and cash equivalents**

Amount in ₹ Million

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Balances with banks		
Current accounts	176.39	63.07
Deposits with original maturity upto three months (including interest accrued)	551.07	-
<b>Total</b>	<b>727.46</b>	<b>63.07</b>

**10. Current assets - Other financial assets**

Amount in ₹ Million

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>Claims recoverable</b>		
Unsecured, considered good	3556.00	-
Security Deposit	250.00	-
<b>Total</b>	<b>3,806.00</b>	<b>-</b>

Claims recoverable mainly includes Government grants of ₹ 3556.00 Million (31 March 2022 : Rs Nil) receivable from Solar Energy Corporation of India under MNRE Scheme for setting up Solar PV power projects.

**11. Current assets - Other current assets**

Amount in ₹ Million

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>Advances</b> (Considered good unless otherwise stated)		
Contractors and suppliers		
Unsecured	45.23	104.76
Others		
Unsecured	0.62	-
	45.85	104.76
<b>Claims Recoverable</b>		
Unsecured considered good	12.25	11.29
<b>Total</b>	<b>58.10</b>	<b>116.05</b>

## NTPC RE GROUP

### 12. Equity share capital

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>Equity share capital</b>		
<b>Authorized</b>		
10,00,00,00,000 shares of par value ₹10/- each	<u>1,00,000.00</u>	<u>-</u>
<b>Issued, subscribed and fully paid up</b>		
471,96,11,035 shares of par value ₹ 10/- each	<u>47,196.11</u>	<u>-</u>

**Reconciliation of the shares outstanding at the beginning and at the end of the year:**

Particulars	Number of shares	
	31 March 2023	31 March 2022
At the beginning of the year	-	-
Add: Issued during the year	4,71,96,11,035	-
Outstanding at the end of the year	<u>4,71,96,11,035</u>	<u>-</u>

**b) Terms and rights attached to equity shares:**

The NGEL has only one class of equity shares having a par value ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

**c) Details of shareholders holding more than 5% shares in the Company:**

Particulars	As at 31 March 2023	
	No. of shares	%age holding
NTPC Limited (including its Nominees)	4,71,96,11,035	100.00

**d) Details of shareholding of promoters:**

Shares held by promoters as at 31 March 2023			
Sl. No.	Promoter name	No. of shares	%age of total shares
1.	NTPC Limited (including its Nominees)	4,71,96,11,035	100.00

### 13. Other equity

Particulars	Amount in ₹ Million	
	31 March 2023	31 March 2022
Retained earnings	1,678.21	(1,522.68)
Owner's Net Investment	-	21,037.97
<b>Total</b>	<u>1,678.21</u>	<u>19,515.29</u>

**A) Retained earnings**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Opening balance	(1,522.68)	(2,470.10)
Add: Total Comprehensive Income for the year as per statement of profit and loss	4,564.88	947.42
Add: Related Adjustment for Carved Out Financials*	(1,363.99)	-
<b>Closing balance</b>	<u>1,678.21</u>	<u>(1,522.68)</u>

a) Retained Earnings are the profits earned till date net of appropriations. The same will be utilised for the purposes as per the provisions of the Companies Act, 2013.

\*represents adjustments on account of retained earnings till 28 February 2023 which was already forming part of business transfer agreement & other related adjustments

**B) Owner's Net Investment**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Opening balance	21,037.97	15,660.40
Add: Net Movement in interunit balances	-	5,377.57
Add: Adjustment on account of BTA	(21,037.97)	-
<b>Closing balance</b>	<u>-</u>	<u>21,037.97</u>

### 14. Non Controlling Interest

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
At the beginning of the year	-	-
Equity share capital attributable to non controlling interest	0.49	-
Add: Total Comprehensive income attributable to non controlling interest	0.09	-
<b>At the end of the year</b>	<u>0.58</u>	<u>-</u>

## NTPC RE GROUP

### 15. Non-current financial liabilities -Borrowings

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>Term loans</b>		
<b>From Banks</b>		
<b>Secured</b>		
Rupee Loan	1,503.41	400.00
Bonds - Domestic	-	14,511.00
<b>Unsecured</b>		
Rupee term loans	52,675.00	21,648.65
Bonds - Domestic	-	52,430.40
	<b>54,178.41</b>	88,990.05
Less: Current maturities of		
Rupee term loans from banks - unsecured	1,743.10	360.14
<b>Secured</b>		
Bonds - Domestic	-	112.00
Interest accrued but not due on secured borrowings	-	642.20
Interest accrued but not due on unsecured borrowings	-	2,136.02
<b>Total</b>	<b>52,435.31</b>	85,739.69

- a) The secured term loan agreements executed by the NTPC RE group with domestic banks carry floating rates of interest ranging from 7.75% to 7.90%. These loans are repayable in equal quarterly instalments after completion of two years moratorium period.
- b) The rupee loans are secured on first pari-passu basis on all existing and future movable and immovable assets excluding current assets pertaining to five projects viz, Bhainsara 320MW, Chattargarh 150MW, Amreshwar 200MW ,GUVNL 150MW & Shajapur U-2.
- c) The unsecured term loan agreement executed by the NTPC RE group with domestic banks carries floating rate of interest ranging from 7.82% to 7.95% and having door to door maturity ranging from 5 to 15 years. The moratorium period ranges from 6 months to 5 years. Interest is payable monthly even during the moratorium period.
- d) There have been no defaults in repayment of the loan or interest thereon thereon during the relevant year.
- e) Borrowings as at March 31, 2022 relating to NTPC RE group represents the borrowings that were allocated to RE asset, which have not been transferred and accordingly specific additional disclosures in relation to borrowings are not considered relevant.
- f) The NTPC RE group has used the borrowings for the purpose for which they have been taken.

### 16. Non-current financial liabilities - Lease liabilities

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Lease liabilities	7,191.64	1,664.76
Less: current maturities of lease liabilities	349.48	238.95
<b>Total</b>	<b>6,842.16</b>	1,425.81

- a) The lease liabilities are repayable in instalments as per the terms of the respective lease agreements generally over a period of more than 1 year and upto 40 years.

### 16.1 Non-current liabilities - other financial liabilities

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Payable for Capital Expenditure		
- micro and small enterprises	-	-
- other than micro and small enterprises	-	25.99
Others	-	1.08
<b>Total</b>	<b>-</b>	27.07

## NTPC RE GROUP

### 17. Non-current liabilities - Deferred tax liabilities (net)

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Deferred tax liability		
Difference in book depreciation and tax depreciation	14,705.70	11,520.97
Less: Deferred tax assets		
Unabsorbed Depreciation	3,840.80	-
<b>Total</b>	<b>10,864.90</b>	11,520.97

- a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.  
b) Disclosures as per Ind AS 12 - 'Income Taxes' are provided in Note 36.

#### Movement in deferred tax balances

As at 31 March 2023					Amount in ₹ Million
Particulars	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 March 2023
Deferred tax liability					
Difference in book depreciation and tax depreciation	11,520.97	3,184.73	-	-	14,705.70
Less: Deferred tax assets					
Unabsorbed Depreciation	-	3,840.80	-	-	3,840.80
<b>Net deferred tax (assets)/liabilities</b>	<b>11,520.97</b>	<b>(656.07)</b>	-	-	<b>10,864.90</b>

As at 31 March 2022					Amount in ₹ Million
Particulars	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in OCI	Others	As at 31 March 2022
Deferred tax liability					
Difference in book depreciation and tax depreciation	9,799.78	1,721.19	-	-	11,520.97
<b>Net deferred tax (assets)/liabilities</b>	<b>9,799.78</b>	<b>1,721.19</b>	-	-	<b>11,520.97</b>

### 18. Other non-current liabilities

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Government grants	16,945.90	10,306.51

- a) Government grants include grant received in advance amounting to ₹ 4,472.64 Million (31 March 2022: ₹ 4,957.12 Million) for which works are to be completed relating to various solar power plants. This amount will be recognized as revenue corresponding to the depreciation charge in future years on completion of related projects.  
b) Balance Government grants amounting to ₹ 12,473.26 Million (31 March 2022: ₹ 5,349.39 Million) represent unamortised portion of grant received/ receivable from Solar Energy Corporation of India under MNRE Scheme for setting up Solar PV power projects. This amount will be recognized as revenue corresponding to the depreciation charge in future years.  
c) Refer Note 23 w.r.t. current portion of Government grants.



**19. Current financial liabilities - Borrowings**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Current maturities of non-current borrowings		
Bonds - Secured	-	112.00
From Banks		
Unsecured		
Ruppee term loans	1,743.10	360.14
<b>Total</b>	<b>1,743.10</b>	<b>472.14</b>

- a) Details in respect of rate of interest and terms of repayment of current maturities of unsecured non-current borrowings indicated above are disclosed in Note 15.
- b) There has been no default in repayment of any of the loans or interest thereon during the relevant period.

**20. Current financial liabilities - Lease liabilities**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Current maturities of lease liabilities	349.48	238.95

- a) Refer Note 16 for details in respect of non-current lease liabilities.

**21. Current financial liabilities - Trade payables**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Trade payables for goods and services		
Total outstanding dues of		
- micro and small enterprises	129.00	0.59
- creditors other than micro and small enterprises	893.70	924.99
<b>Total</b>	<b>1,022.70</b>	<b>925.58</b>

- a) Disclosures as required under Companies Act, 2013 / MSMED Act, 2006 are provided in Note 49.
- b) Amounts payable to related parties are disclosed in Note 38.

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(c) Trade payables ageing schedule

As at 31 March 2023

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	30.09	98.60	0.31	-	-	-	129.00
(ii) Others	83.13	104.63	379.24	-	4.20	322.50	893.70
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>113.22</b>	<b>203.23</b>	<b>379.55</b>	<b>-</b>	<b>4.20</b>	<b>322.50</b>	<b>1,022.70</b>

As at 31 March 2022

Amount in ₹ Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.37	0.22	-	-	-	-	0.59
(ii) Others	192.29	372.42	33.54	4.24	-	322.50	924.99
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>192.66</b>	<b>372.64</b>	<b>33.54</b>	<b>4.24</b>	<b>-</b>	<b>322.50</b>	<b>925.58</b>

(a) The amounts payable to MSME vendors beyond the statutory period represents security deposit, retention money and other payments which are to be paid after such period as per respective contract conditions and bills which are pending for completion of documentation by the vendors.

**22 Current liabilities - Other financial liabilities**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on secured borrowings	-	642.20
Interest accrued but not due on unsecured borrowings	-	2,136.02
Payable for capital expenditure		
- micro and small enterprises	0.13	5.32
- other than micro and small enterprises	12,352.97	15,400.61
Contractual Obligation	101.21	108.49
Other payables		
Deposits from contractors and others	0.10	-
Payable to Employees	54.64	14.14
Payable to NTPC Limited	31,979.96	27.77
Others	-	11.09
<b>Total</b>	<b>44,489.01</b>	<b>18,345.64</b>

- a) Disclosures as required under the Companies Act, 2013 / MSMED Act, 2006 are provided in Note 49  
b) Amounts payable to related parties are disclosed in Note 38.

**23 Current liabilities - Other current liabilities**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Advances from customers and others	22.10	0.02
Government grants	597.28	278.85
Other payables		
Statutory dues	127.11	46.44
<b>Total</b>	<b>746.49</b>	<b>325.31</b>

- a) Also refer Note 18 w.r.t. accounting of Government grants.

**24. Provisions**

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Provision for Shortage in Property, Plant & Equipment pending investigation	-	5.24
<b>Total</b>	<b>-</b>	<b>5.24</b>

Refer Note 40 regarding movement of provisions

**25. Revenue from operations**

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Energy sales	14,053.11	8,848.36
<b>Other operating revenues</b>		
Recognized from Government grants	443.98	255.85
<b>Total</b>	<b>14,497.09</b>	<b>9,104.21</b>

**26. Other income**

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest from</b>		
Financial assets at amortized cost		
Loan to Employees	1.93	2.07
Deposits with banks	0.31	7.82
Advance to contractors and suppliers	70.96	41.81
<b>Other non-operating income</b>		
Surcharge received from customers	27.03	15.44
Provision written back-others	5.24	1.26
Miscellaneous income	17.81	17.76
Others	0.03	-
	<b>123.31</b>	<b>86.16</b>
Less: Transferred to expenditure during construction period (net) - Note 31	45.13	7.94
<b>Total</b>	<b>78.18</b>	<b>78.22</b>

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**27. Employee benefits expense**

Amount in ₹ Million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	370.52	251.58
Contribution to provident and other funds	78.73	27.22
Unwinding of Deferred Payroll Expenses	0.49	0.93
Staff welfare expenses	36.17	18.15
	<u>485.91</u>	<u>297.88</u>
Less: Transferred to expenditure during construction period (net)- Note 31	<u>356.81</u>	<u>221.08</u>
<b>Total</b>	<u><u>129.10</u></u>	<u><u>76.80</u></u>

(a) All the employees of the company are on secondment from NTPC Limited from the date of their secondment in the respective companies. Pay allowances, perquisites and other benefits of the employees are governed by the terms and conditions as per the policy of NTPC Ltd. As per the policy amount equivalent to a fixed percentage of basic & DA of the seconded employees is payable by the company for employee benefits such as provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits to NTPC Ltd.

**28. Finance costs**

Amount in ₹ Million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Finance costs on financial liabilities measured at amortized cost		
Bonds - Domestic	4,229.69	3,518.16
Rupee term loans	1,999.76	1,062.88
Foreign currency bonds/notes	-	286.33
Unwinding of discount on vendor liabilities	355.86	61.93
	<u>6,585.31</u>	<u>4,929.30</u>
Interest Others	493.50	-
Other borrowing costs	4.02	3.51
	<u>497.52</u>	<u>3.51</u>
<b>Sub-total</b>	<u>7,082.83</u>	<u>4,932.81</u>
Less: Transferred to expenditure during construction period (net) - Note 31	<u>2,382.19</u>	<u>2,402.32</u>
<b>Total</b>	<u><u>4,700.64</u></u>	<u><u>2,530.49</u></u>

**29. Depreciation and amortization expense**

Amount in ₹ Million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
On property, plant and equipment - Note 2	4,793.81	2,838.65
On Intangible assets - Note 4	-	16.95
Less:	4,793.81	2,855.60
Transferred to expenditure during construction period (net) - Note 31	<u>228.98</u>	<u>27.98</u>
<b>Total</b>	<u><u>4,564.83</u></u>	<u><u>2,827.62</u></u>

a) Refer Note 48 w.r.t. Depreciation expense of right of use assets.

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**30. Other expenses**

Amount in ₹ Million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power charges	56.39	47.62
Less: Recovered from contractors and employees	<u>0.04</u>	<u>0.04</u>
	56.35	47.58
Rent	7.56	4.82
Repairs and maintenance		
Buildings	4.55	4.27
Plant and equipment	894.03	674.65
Others	<u>16.82</u>	<u>4.75</u>
	915.40	683.67
Load dispatch centre charges	5.14	2.45
Insurance	78.66	59.37
Rates and taxes	498.09	487.80
Training and recruitment expenses	0.06	-
Communication expenses	5.74	4.29
EDP hire and other charges	0.21	-
Travelling expenses	25.89	17.03
Tender Expenses	85.28	264.83
Less: Receipt from Sale of Tender	<u>(10.76)</u>	<u>-</u>
	74.52	264.83
Remuneration to auditors	0.72	-
Transit hostel expenses	0.39	-
Advertisement and publicity	0.18	-
Security expenses	0.73	1.25
Entertainment expenses	2.96	2.42
Expenses for guest house	5.28	4.98
Less: Recoveries	<u>-</u>	<u>-</u>
	5.28	4.98
Professional charges and consultancy fee	45.33	16.30
Legal expenses	3.58	0.02
Printing and stationery	0.30	0.01
Hiring of vehicles	17.40	0.05
Bank Charges	8.70	-
Books & Periodicals	0.01	-
Office Admin expenses	2.58	-
Transport vehicle running expenses	0.28	0.05
Loss on de-recognition of property, plant and equipment	0.15	-
Corporate Social Responsibility Expenses	-	1.52
Provisions for Shortage in Fixed Assets	-	5.18
Miscellaneous expenses	<u>96.00</u>	<u>77.11</u>
	1,852.21	1,680.73
Less: Transferred to expenditure during construction period (net) - Note 31	<u>580.38</u>	<u>602.20</u>
	<b>1,271.83</b>	<b>1,078.53</b>

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**31. Expenditure during construction period (net)**

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Employee benefits expense</b>		
Salaries and wages	262.98	189.04
Contribution to provident and other funds	64.75	19.65
Staff welfare expenses	29.08	12.39
<b>Total (A)</b>	<b>356.81</b>	<b>221.08</b>
<b>B. Finance costs</b>		
Finance costs on financial liabilities measured at amortized cost		
Bonds	1,508.20	2,127.11
Rupee term loans	556.08	226.18
Unwinding of discount on vendor lease liabilities	289.63	47.35
Interest Others	26.72	-
Other borrowing costs	1.56	1.68
<b>Total (B)</b>	<b>2,382.19</b>	<b>2,402.32</b>
<b>C. Depreciation and amortization expense</b>	<b>228.98</b>	<b>27.98</b>
<b>D. Other expenses</b>		
Power charges	0.05	0.16
Less: Recovered from contractors and employees	0.03	0.04
	0.02	0.12
Rent	3.62	2.14
Repairs and maintenance		
Buildings	0.25	0.09
Others	0.51	0.04
	0.76	0.13
Rates and taxes	454.07	306.97
Communication expenses	3.55	2.17
EDP Stationary Exp	0.03	-
Travelling expenses	20.17	13.62
Tender expenses	76.70	260.19
Less: Receipt from Sale of Tender	(10.76)	-
Transit hostel expenses	0.39	2.02
Entertainment expenses	1.55	1.79
Expenses for guest house	1.05	-
Professional charges and consultancy fee	8.94	13.24
Legal expenses	3.13	0.02
Printing and stationery	0.25	0.01
Hiring of vehicles	3.13	-
Bank Charges	6.65	-
Books & Periodicals	0.01	-
Office Admin expenses	2.58	-
Miscellaneous expenses	4.54	(0.22)
<b>Total (D)</b>	<b>580.38</b>	<b>602.20</b>
<b>E. Less: Other income</b>		
Interest from advances to contractors and suppliers	45.04	7.84
Miscellaneous income	0.09	0.10
<b>Total (E)</b>	<b>45.13</b>	<b>7.94</b>
<b>F. Net actuarial losses on defined benefit plans</b>	<b>(0.55)</b>	<b>0.42</b>
<b>Grand total (A+B+C+D-E+F) *</b>	<b>3,502.68</b>	<b>3,246.06</b>

\* Carried to capital work-in-progress - (Note 3)

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- 32 a) The NTPC RE Group has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. Some other balances are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- b) In the opinion of the management, the value of assets, other than property, plant and equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

### 33 Disclosure as per Ind AS 1 'Presentation of financial statements'

#### a) Material Accounting Policy Information :

The relevant accounting policies adopted in line with those of NTPC Green Energy Limited have been disclosed in Note 1.

#### b) Currency and Amount of presentation :

Amount in the financial statements are presented in ₹ Million (rounded off upto two decimals) except otherwise stated.

### 34 Disclosure as per Ind AS 2 'Inventories'

Amount of inventories consumed and recognized as expense during the year is ₹ Nil (PY - ₹ Nil)

### 35 Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

- a) In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the RE group has restated its Balance Sheet as at 31 March 2023 due to reclassification of advances and trade payable in line with practice adopted by NTPC group in FY 2023-24. Reconciliation of financial statement line items which are restated are as under:

Amount in ₹ Million

#### Items of balance sheet before and after reclassification as at 31 March 2023

Sl. No.	Particulars	As previously reported	Adjustments	As restated
1	Other non-current assets (Note-6)	10,405.98	116.06	10,522.04
	Current assets - Other financial assets ( Note-10)	3,922.06	(116.06)	3,806.00
2	Trade payables- Current liabilities (Note-21)	1,123.91	101.21	1,022.70
	Other financial liabilities - Current (Note-22)	44,387.80	(101.21)	44,489.01

There is no change in the cash flows from operating, investing and financing activities activities on account of the above.

#### Items of balance sheet before and after reclassification as at 31 March 2022

Sl. No.	Particulars	As previously reported	Adjustments	As restated
1	Trade payables- Current liabilities (Note-21)	1,034.07	108.49	925.58
	Other financial liabilities - Current (Note-22)	18,237.15	(108.49)	18,345.64

There is no change in the cash flows from operating, investing and financing activities activities on account of the above.

- b) Further, in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the RE group has restated its profit & loss for the year ended 31 March 2023 due to changes in accounting policy on valuation of scrap with corresponding impact in the value of inventory as at 31 March 2023, in line with the accounting policy adopted by the NTPC group in FY 2023-24. The amount of inventory of ₹ 24.85 million for the year ended 31 March 2023 has been charged to Statement of Profit & loss account & consequently there is decrease in deferred tax expense of ₹ 6.30 million.



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36. Income taxes related disclosures

Income tax recognised in the statement of profit and loss

Amount in ₹ Million

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Current tax expense</b>		
Current year	0.06	0.38
<b>Total current tax expense (A)</b>	<b>0.06</b>	0.38
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(656.07)	1,721.19
<b>Total deferred tax expense (B)</b>	<b>(656.07)</b>	1,721.19
<b>Income tax expense (C=A+B)</b>	<b>(656.01)</b>	1,721.57

(b) Tax losses carried forward

Amount in ₹ Million

Particulars	31 March 2023
Unabsorbed depreciation	15,235.55

No deferred tax asset on unabsorbed depreciation was created as on 31 March 2022 as there was no unabsorbed depreciation at respective entity level. NGEL was incorporated on 7 April 2022 where RE assets were subsequently transferred on 28 February 2023 & NGEL has recognised deferred tax liability net off deferred tax asset on unabsorbed depreciation pertaining to RE assets which NGEL is eligible to claim under the Income Tax Act

## NTPC RE GROUP

**37 Disclosure as per Ind AS 23 'Borrowing Costs'**

Borrowing costs capitalised during the year is ₹ 2,382.19 Million (31 March 2022 : ₹ 2,402.32 Million)

**38 Disclosure as per Ind AS 24 'Related Party Disclosures'**

**A List of related parties:**

**i) Holding Company:**

1. NTPC Ltd

**ii) Subsidiary companies of NTPC Limited**

1. NTPC Vidyut Vyapar Nigam Ltd.
2. NTPC Electric Supply Company Ltd.
3. Bhartiya Rail Bijlee Company Ltd.
4. Patratu Vidyut Utpadan Nigam Ltd.
5. North Eastern Electric Power Corporation Ltd. (NEEPCO)
6. THDC India Ltd. (THDCIL)
7. NTPC Mining Ltd.
8. NTPC EDMC Waste Solutions Private Ltd.
9. Ratnagiri Gas & Power Private Ltd.

**Subsidiary company of THDCIL (subsidiary of NTPC Limited)**

1. TUSCO Limited
2. TREDCO Rajasthan Limited
3. THDCIL-UJVNL Energy Company Limited (Incorporated on 01 December 2023)

**ii) Joint ventures companies of NTPC Limited with whom transactions have taken place**

1. Utility Powertech Ltd.
2. NTPC-GE Power Services Private Ltd.

**iv) Key Management Personnel (KMP):**

**NTPC Green Energy Limited**

Shri Gurdeep Singh Chairman	w.e.f. 09.08.2022
Shri Jaikumar Srinivasan Director	w.e.f. 09.08.2022
Shri Ajay Dua Director	w.e.f. 17.02.2023
Shri C K Mondol Director	upto 31.01.2023
Shri Aditya Dar Director	upto 09.08.2022
Shri Vinay Kumar Director	upto 09.08.2022
Shri Mohit Bhargava Chief Executive Officer	w.e.f. 05.07.2022
Shri Manish Kumar Company Secretary	w.e.f. 21.12.2022

**NTPC Renewable Energy Limited-Subsidiary Company**

Shri Gurdeep Singh Chairman	w.e.f. 06.08.2022
Shri Jaikumar Srinivasan Director	w.e.f. 06.08.2022
Ms. Sangeeta Kaushik Director	w.e.f. 07.10.2022
Shri Ajay Dua Director	w.e.f. 21.02.2023
Shri C K Mondol Chairman/Director	w.e.f. 07.10.2020 upto 31.01.2023
Shri Vinay Kumar Director	w.e.f. 07.10.2020 upto 06.08.2022
Shri Aditya Dar Director	w.e.f. 07.10.2020 upto 06.08.2022
Ms Nandini Sarkar Director	w.e.f. 09.10.2020 upto 30.09.2022
Shri Mohit Bhargava Chief Executive Officer	w.e.f. 09.10.2020
Shri Neeraj Sharma Chief Financial Officer	w.e.f. 25.07.2022
Ms. Rashmi Aggarwal Company Secretary	w.e.f. 28.07.2022

**Green Valley Renewable Energy Limited-Subsidiary of NTPC Renewable Energy Limited**

Sh. Chandan Kumar Mondol	Chairman w.e.f. 25.08.2022 till 31.01.2023
Sh Dillip Kumar Patel	Chairman w.e.f. 13.02.2023
Sh Mohit Bhargava	Director w.e.f. 25.08.2022
Sh. Raghu Ram Machiraju	Director w.e.f. 25.08.2022
Sh. Arup Sarkar	Director w.e.f. 25.08.2022
Sh. Rajiv Gupta	Director w.e.f. 25.08.2022
Sh. Shailendra	CEO w.e.f 28.12.2022

## NTPC RE GROUP

### iv) Entities under the control of the same government:

The Company is a wholly-owned Subsidiary of Central Public Sector Undertaking (CPSU) in which majority of shares are held by Central Government (Note 12). The NTPC RE Group has transactions with other Government related entities, which significantly includes but not limited to purchase of equipment, spares, receipt of erection, maintenance and other services, rendering consultancy and other services.. Transactions with these parties are carried out at market terms and on terms comparable to those with other entities that are not Government-related generally through a transparent price discovery process against open tenders. In few cases of procurement of spares/services from Original Equipment Manufacturer (OEM) for proprietary items/or on single tender basis are resorted to due to urgency, compatibility and similar reasons which are also carried out through a process of negotiation with prices benchmarked against available price data of such items. Such entities with which the NTPC RE Group has significant transactions include but not limited to SECI, DVC, CTUIL, PGCIL, MSTC, BSNL etc.

### B Transactions with related parties during the year are as follows :

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Share Capital Issued During the year	47,196.11	-
(ii) Changes in owner's net investment	(21,037.97)	5,377.57
(i) Short Term Loan Received & Repaid	-	7.00
(iii) Interest Paid to NTPC Limited	493.50	0.04
(iv) Transactions with Joint Venture Companies :		
Contracts for work/services for services received by the company		
Utility Powertech Ltd.	14.09	15.69
NTPC GE Power Services Pvt Ltd.	794.53	-

### C Outstanding balances with related parties are as follows:

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Amount payable to - NTPC Ltd	31,863.90	27.77
Amount payable to - Utility Powertech Limited	2.10	1.97
Amount payable to - NTPC GE Services Private Limited	171.88	-

### D Terms and conditions of transactions with the related parties

(i) Transactions with the related parties are made on normal commercial terms and conditions and at arms length price.

(ii) NTPC Limited is seconding its personnel to the Group as per the terms and conditions which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by NTPC Limited towards superannuation and employee benefits are recovered from the group.

### E Transfer of Assets as per BTA

(ii) Pursuant to the aforesaid BTA, the identified RE assets were transferred by NTPC to NGEL at a purchase consideration of ₹ 120,105.50 million which has been settled during the year 2022-23 except for an amount of ₹ 34,104.50 million which has been paid by NGEL on 27 April 2023, as per the terms and conditions of BTA. Further 100% equity share holding in NREL as per the share purchase agreement, as amended, has been transferred to NGEL for a consideration of ₹ 10,944.64 million

**39. Disclosure as per Ind AS 36 'Impairment of Assets'**

There are no external / internal indicators which leads to any impairment of assets of the NTPC RE Group as required by Ind AS 36

**40. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'**

Provisions for shortage in Property, Plant & Equipment as on 31 March 2023 ₹ Nil (31 March 2022 : ₹ 5.24 Million), it was written back in the current financial year. There are no contingent liabilities or contingent assets as at 31 March 2023 & 31 March 2022 for disclosure

**41. Disclosure as per Ind AS 38 'Intangible Assets'**

There is no Research expenditure recognised as expense in the Statement of Profit and Loss during the year.

**42. Disclosure as per Ind AS 108 'Operating Segments'**

NTPC RE Group operates in only reportable business segment i.e. generation of power from renewable energy sources, as determined by the Chief Operating Decision Maker

## 43. Financial Risk Management

The NTPC RE Group's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables for capital expenditure. The main purpose of these financial liabilities is to finance the NTPC RE Group's operations. The NTPC RE Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

### Risk management framework

The NTPC RE Group's activities makes it susceptible to various risks. The NTPC RE Group has taken adequate measures to address such concerns by developing adequate systems and practices. The NTPC RE Group's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the NTPC RE Group's financial performance.

The Board of Directors of each company of the group has overall responsibility for the establishment and overseeing of the respective company's risk management framework. The Board perform within the overall risk framework of the ultimate holding company.

The NTPC RE Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### Credit risk

Credit risk is the risk of financial loss to the NTPC RE Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the NTPC RE Group. Credit risk arises principally from trade receivables, loans and advances, cash and cash equivalents and deposits with banks and financial institutions.

### Trade receivables

The NTPC RE Group primarily sells electricity to bulk customers comprising mainly state utilities owned by State Governments. The NTPC RE Group has a robust payment security mechanism in the form of Letters of Credit (LC).

The NTPC RE Group has not experienced any significant impairment losses in respect of trade receivables in the past year. Since the NTPC RE Group has its power stations as well as customers spread over various states of India, geographically there is no concentration of credit risk.

### Cash and cash equivalents

The NTPC RE Group held cash and cash equivalents of ₹ 727.46 Million (31 March 2022 : ₹ 63.07 million). The Group has banking operations with SBI and Axis Bank which are scheduled banks. These banks have high credit rating and risk of default with these banks is considered to be insignificant.

## NTPC RE GROUP

### (i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
<b>Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)</b>		
Cash and cash equivalents	727.46	63.07
Non current assets-Other financial assets	777.69	-
Other current financial assets	3,806.00	-
<b>Total (A)</b>	<b>5,311.15</b>	<b>63.07</b>
<b>Financial assets for which loss allowance is measured using life-time Expected Credit Losses (ECL) as per simplified approach</b>		
Trade receivables	3,254.98	1,776.47
<b>Total (B)</b>	<b>3,254.98</b>	<b>1,776.47</b>
<b>Total (A+B)</b>	<b>8,566.13</b>	<b>1,839.54</b>

### (ii) Provision for expected credit losses

#### (a) Financial assets for which loss allowance is measured using 12 month expected credit losses

The NTPC RE Group has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

#### (b) Financial assets for which loss allowance is measured using life-time expected credit losses as per simplified approach

The NTPC RE Group has customers (State government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables and unbilled revenue.

### (iii) Ageing analysis of trade receivables

Refer Note 8(b)

## NTPC RE GROUP

### 43. Financial Risk Management (Continued)

#### Liquidity risk

Liquidity risk is the risk that the NTPC RE Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The NTPC RE Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the NTPC RE Group's reputation.

The NTPC RE Group has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The NTPC RE Group manages liquidity risk by maintaining adequate cash 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 NTPC RE Group's Treasury functions is responsible for managing the short-term and long-term liquidity requirements of the Group. Short-term liquidity situation is reviewed daily by the Treasury department. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the NTPC RE Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 Days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Since billing to the customers are generally on a monthly basis, the NTPC RE Group maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

#### (i) Financing arrangements

The NTPC RE Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Amount in ₹ Million

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Floating-rate borrowings</b>		
Cash credit	5,600.00	-
Term loans	75,771.59	20,600.00
<b>Total</b>	<b>81,371.59</b>	<b>20,600.00</b>

#### (ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

##### 31 March 2023

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Rupee term loans from banks	-	1,743.10	3,533.51	12,899.61	36,002.19	<b>54,178.41</b>
Lease Obligations	163.23	301.05	336.23	1,061.46	19,617.96	<b>21,479.93</b>
Trade and other payables	36,343.25	9,168.46	-	-	-	<b>45,511.71</b>

##### As at 31 March 2022

Amount in ₹ Million

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Secured bonds	283.10	471.10	224.00	7,458.40	6,082.30	14,518.90
Unsecured bonds	1,061.50	1,065.70	-	-	50,306.00	52,433.20
Rupee term loans from banks	142.15	226.81	621.25	6,141.82	14,916.62	22,048.65
Trade and other payables	12,705.83	2,397.52	738.00	62.78	644.65	16,548.78
Lease obligations	188.57	79.47	113.46	346.31	2,522.50	3,250.31

#### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the NTPC RE Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group.

#### Currency risk

The NTPC RE Group executes agreements for the purpose of purchase of capital goods in INR. Any change in foreign currency exchange rate is to the account of the contractor. Hence, there would be no impact of strengthening or weakening of Indian rupee against USD, Euro, JPY, etc. on the NTPC RE Group.

**43. Financial Risk Management (Continued)**

**Interest rate risk**

The NTPC RE Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The NTPC RE Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date, the interest rate profile of the NTPC RE Group's interest-bearing financial instruments is as follows:

Particulars	Amount in ₹ Million	
	31 March 2023	31 March 2022
<b>Financial Assets:</b>		
Fixed-rate instruments	-	-
Deposit with Banks	551.07	
<b>Total</b>	<b>551.07</b>	<b>-</b>
<b>Financial Liabilities:</b>		
Fixed-rate instruments	-	66,941.40
Variable-rate instruments	54,178.41	22,048.65
Lease obligations	7,191.64	1,664.76
	<b>61,370.05</b>	<b>90,654.81</b>
<b>Total</b>	<b>61,370.05</b>	<b>90,654.81</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

Particulars	Amount in ₹ Million	
	50 bp increase	50 bp decrease
<b>31 March 2023</b>		
Rupee term loans	(19.87)	19.87
	(19.87)	19.87

Of the above mentioned increase in the interest expense, an amount of ₹ 18.23 Million is expected to be capitalised.



## NTPC RE GROUP

### 44 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

#### (a) Subsidiary Companies

The Group's subsidiaries as at 31st March 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also its principal place of business

Name of subsidiary company	Place of business/ country of incorporation	Ownership interest held by the NTPC RE group as at		Ownership interest held by non-controlling interests as at		Principal activities
		31 March 2023	31 March 2022	31 March 2023	31 March 2022	
NTPC Renewable Energy Limited (NREL)	India	100%	100%	-	-	Generation of Energy
Green Valley Renewable Energy Limited (subsidiary of NREL) w.e.f 25 August 2022	India	51%	-	49%	-	Generation of Energy

#### (b) Non-controlling interests (NCI)

Set out below is summarised financial information for subsidiary having non-controlling interest. The amounts disclosed for subsidiary are before inter-company eliminations.

#### Summarised balance sheet

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd	
	As at 31 March 2023	As at 31 March 2022
Current assets	1.21	-
Current liabilities	0.03	-
<b>Net current assets</b>	<b>1.18</b>	-
Non-current assets	0.01	-
Non-current liabilities	-	-
<b>Net non-current assets</b>	<b>0.01</b>	-
Net assets	1.19	-
Accumulated NCI	0.58	-

#### Summarised statement of profit and loss for the year ended

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Total income	0.33	-
Profit for the year	0.19	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>0.19</b>	-
Profit allocated to NCI	0.09	-
Dividends paid to NCI	-	-

#### Summarised cash flows for the year ended

Amount in ₹ Million

Particulars	Green Valley Renewable Energy Ltd	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from/(used in) operating activities	(0.04)	-
Cash flows from/(used in) investing activities	0.25	-
Cash flows from/(used in) financing activities	1.00	-
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1.21</b>	-

#### c) Details of significant restrictions

Amount in ₹ Million

Name of the Subsidiary	Period of restrictions for disposal of investments as per related agreements	Amount invested	
		As at 31 March 2023	As at 31 March 2022
Green Valley Renewable Energy Ltd	5 years from the date of incorporation (i.e 25.08.2022)	0.51	-

## NTPC RE GROUP

### 45. Fair Value Measurements

#### a) Financial instruments by category

All financial assets and liabilities viz., cash and cash equivalents, borrowings, lease liabilities, trade payables and other financial liabilities are measured at amortised cost.

#### b) Fair value of financial assets and liabilities measured at amortised cost

Amount in ₹ Million

Particulars	Level	As at 31 March 2023		As at 31 March 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Claims recoverable	3	3,556.00	3,556.00	-	-
Trade receivables	3	3,254.98	3,254.98	1,776.47	1,776.47
Cash and cash equivalents	1	727.46	727.46	63.07	63.07
Other financial assets	3	1,027.69	1,027.69	-	-
		<b>8,566.13</b>	<b>8,566.13</b>	1,839.54	1,839.54
<b>Financial liabilities</b>					
Rupee term loans	3	54,178.41	54,178.41	22,048.65	22,048.65
Bonds/Debentures	3	-	-	66,941.40	66,941.40
Lease Obligations	3	7,191.64	7,191.64	1,664.76	1,664.76
Trade payables and payable for capital expenditure	3	13,375.80	13,375.80	16,331.51	16,331.51
Other financial liabilities	3	32,135.91	32,135.91	188.56	188.56
		<b>1,06,881.76</b>	<b>1,06,881.76</b>	<b>1,07,174.88</b>	<b>1,07,174.88</b>

The carrying amounts of current trade receivables, current trade payables, payable for capital expenditure, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

Also, carrying amount of claims recoverable approximates its fair value as these are recoverable immediately.

The carrying value of non-current lease liabilities has been calculated based on the cash flows discounted using a current discount rate in the current financial year and is thus considered to be the same as their fair value.

The fair value of borrowings is considered to be the same as their carrying value, as they carry currently prevailing market interest rates. Further they are classified as Level 3 borrowings as per the fair value hierarchy as the inputs are not directly observable in the market.

## NTPC RE GROUP

### 46. Capital Management

The NTPC RE Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business.

Under the terms of major borrowing facilities, the NTPC RE Group is required to comply with the following financial covenants:

- (i) Total liability to networth ranges between 3:1 to 4:1
- (ii) Ratio of EBITDA to interest expense shall not at any time be less than 1.75 : 1

There have been no breaches in the financial covenants of any interest bearing borrowings.

The NTPC RE Group monitors capital, using a medium term view of three to five years, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The NTPC RE Group is not subject to externally imposed capital requirements.

### 47. Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

#### Nature of goods and services

The major revenue of the NTPC RE group comes from energy sales. The NTPC RE group sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries. Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy sales	The NTPC RE Group recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the NTPC RE Group. The amounts are billed on a monthly basis and are payable within contractually agreed credit period. Revenue is recognized based on agreement entered with beneficiaries.

#### Reconciliation of revenue recognised with contract price:

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	14,064.12	8,876.65
Adjustments for:		
Rebates	11.01	28.29
Revenue recognised	14,053.11	8,848.36

#### Contract Balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to trade receivables revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The following table provides information about trade receivables including unbilled revenue

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Trade receivables including unbilled revenue	3,254.98	1,776.47

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### 48. Disclosure as per Ind AS 116 'Leases'

#### NTPC RE Group as Lessee

(i) The NTPC RE Group's significant leasing arrangements are in respect of the following assets:

(a) Premises for residential use of employees, offices and guest houses/ transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms.

(b) The NTPC RE Group acquires land on leasehold basis for a period generally ranging from 25 years to 99 years from the government authorities which can be renewed further based on mutually agreed terms and conditions. The leases are non cancellable. These leases are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Lease obligations' at their present values. The Right-of-use land is amortised considering the material accounting policy information of the RE Group.

(ii) The following are the carrying amounts of lease liabilities recognised and the movements during the year :

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Opening Balance</b>	<b>1,664.76</b>	783.82
- Additions in lease liabilities	<b>5,847.31</b>	960.56
- Interest cost during the year	<b>300.22</b>	33.62
- Payment of lease liabilities	<b>(620.65)</b>	(113.24)
<b>Closing Balance</b>	<b>7,191.64</b>	1,664.76
Current	<b>349.48</b>	238.95
Non Current	<b>6,842.16</b>	1,425.81

(iii) Maturity Analysis of the lease liabilities:

Contractual undiscounted cash flows	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
3 months or less	<b>163.23</b>	188.57
3-12 Months	<b>301.05</b>	79.47
1-2 Years	<b>336.23</b>	113.46
2-5 Years	<b>1,061.46</b>	346.31
More than 5 Years	<b>19,617.96</b>	2,522.50
Total	<b>21,479.93</b>	3,250.31

(iv) The following are the amounts recognised in Statement of profit and loss:

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation and amortisation expense for right-of-use assets	<b>315.91</b>	74.58
Interest expense on lease liabilities	<b>300.22</b>	33.62

(v) The following are the amounts disclosed in the cash flow statement:

Particulars	Amount in ₹ Million	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash Outflow from leases	<b>620.65</b>	113.24

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**49. Information in respect of micro and small enterprises as at 31 March 2023 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Amount in ₹ Million

Particulars	31 March 2023	31 March 2022
a) Amount remaining unpaid to any supplier:		
Principal amount	129.13	5.91
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

The payment to the vendors are made as and when they are due, as per terms and conditions of respective contracts.

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49A. Disclosure as per Schedule III to the Companies Act, 2013

Amount in ₹ Million

Name of the entity in the NTPC RE Group	Net Assets, i.e., total assets minus total liabilities as at		Share in profit or loss for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As %age of consolidated net assets	Amount	As %age of consolidated profit or loss	Amount	As %age of consolidated other comprehensive income	Amount	As %age of consolidated total comprehensive income	Amount
<b>NTPC Green Energy Ltd.</b>								
31-Mar-23	100.10%	48,921.95	100.30%	4,578.44	-	-	100.30%	4,578.44
31-Mar-22	100.17%	19,549.27	99.88%	946.29	-	-	99.88%	946.29
<b>Subsidiary of NGEL</b>								
<b>NTPC RenewableEnergy Ltd.</b>								
31-Mar-23	22.30%	10,897.01	-0.30%	(13.65)	-	-	-0.30%	-13.65
31-Mar-22	37.29%	7,277.76	0.12%	1.13	-	-	0.12%	1.13
<b>Non-controlling interest in subsidiary</b>								
31-Mar-23	0.00%	0.58	0.00%	0.09	-	-	0.00%	0.09
31-Mar-22	-	-	-	-	-	-	-	-
<b>Intra Group Eliminations</b>								
31-Mar-23	-22.40%	(10,944.64)	-	-	-	-	-	-
31-Mar-22	-37.46%	(7,311.74)	-	-	-	-	-	-
<b>Total</b>								
31-Mar-23	100.00%	48,874.90	100.00%	4,564.88	-	-	100.00%	4,564.88
31-Mar-22	100.00%	19,515.29	100.00%	947.42	-	-	100.00%	947.42

**50. Contingent liabilities, contingent assets and commitments****A. Contingent liabilities**

Nil

**B. Contingent assets**

Nil

**C. Commitments**

a) Estimated amount of contracts remaining to be executed on capital account is as under:

Amount in ₹ Million

Particulars	Amount in ₹ Million	
	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	<b>88,807.39</b>	60,526.39

b) NTPC RE Group's commitment in respect of lease agreements has been disclosed in Note 48.

## NTPC RE GROUP

### 51 Additional Regulatory Information

- i) The NTPC RE Group does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- ii) During the year the NTPC RE Group has not revalued any of its Property, plant and equipment
- iii) During the year, the NTPC RE Group has not revalued any of its Intangible assets.
- iv) The NTPC RE Group has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

#### **v) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2023**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Amount in ₹ Million
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	16,001.43	1,428.01	64.01	-	17,493.45
Projects temporarily suspended	-	-	-	-	

#### **v) (a) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2022**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Amount in ₹ Million
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	51,416.56	12,818.14	22.19	-	64,256.89
Projects temporarily suspended	-	-	-	-	

#### **v) (b) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2023**

Name of the project	To be completed in				Amount in ₹ Million
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Upto 31 March 2024	1 April 2024 to 31 March 2025	1 April 2025 to 31 March 2026	Beyond 1 April 2026	
Nokhra Solar PV Project 100MW	6,823.31	-	-	-	6,823.31
Sambhu Ki Bhurj II Solar PV Project 150 MW	2,171.08	-	-	-	2,171.08
Chattargarh 150 MW	2,407.41	-	-	-	2,407.41
Bhainsara 320 MW	73.30	-	-	-	73.30
GUVNL 200 MW	12.92	-	-	-	12.92
GUVNL 150 MW	55.01	-	-	-	55.01
	11,543.03	-	-	-	11,543.03

(b) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31 March 2022 - Nil

vi) Intangible assets under development - Ageing Schedule - Not applicable

vii) No proceedings have been initiated or pending against the NTPC RE Group under the Benami Transactions (Prohibition) Act, 1988.

viii) The NTPC RE Group has not availed any credit facility from banks or financial institutions on the basis of security of current assets and hence, there is no requirement to submit quarterly returns of current assets.

ix) None of the entities of the NTPC RE Group have been declared as a wilful defaulter by any bank or financial institution or any other lender.



## NTPC RE GROUP

### 51 Additional Regulatory Information

(x) Relationship with Struck off Companies - None

(xi) The NTPC RE Group has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

(xii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Group as per Section 2(45) of the Companies Act,2013.

xiii) There were no scheme of Arrangements approved by the competent authority during the year in terms of sections 230 to 237 of the Companies Act,2013.

xiv) The NTPC RE Group has not advanced or loaned or invested any fund to any entity (Intermediaries) with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The NTPC RE Group has not received any fund from any party with the understanding that the NTPC RE Group shall whether, directly or indirectly lend or invest in other entities identified by or on behalf of the NTPC RE Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xv) The NTPC RE Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

xvi) The NTPC RE Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

xvii) The NTPC RE Group has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

For and on behalf of the Board of Directors

(Manish Kumar)  
CS

(Neeraj Sharma)  
CFO

(Rajiv Gupta)  
CEO

(Jaikumar Srinivasan)  
Director (Finance)  
(DIN 01220828)

(Gurdeep Singh)  
Chairman & Managing Director  
(DIN 00307037)

Place : New Delhi

Dated : 09 September 2024

This is the Special purpose Carved Out Combined Notes referred to in our report of even date

For S.K. Mehta & Co.  
Chartered Accountants  
Firm Reg. No.000478N

For Varma & Varma  
Chartered Accountants  
Firm Reg. No. 004532S

(Rohit Mehta)  
Partner  
M No. 091382  
Place : New Delhi  
Dated : 09 September 2024

(K P Srinivas)  
Partner  
M No. 208520  
Place : Bengaluru  
Dated : 09 September 2024

*Digitally Signed by Signatories*

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars <sup>(3)</sup>	Pertaining to the Restated Consolidated Financial Information <sup>(1)</sup>				Pertaining to the Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at and for the six months period ended September 30, 2024*	As at and for the six months ended September 30, 2023*	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Basic earnings per share (EPS) (in ₹) <sup>(4) (10)</sup>	0.30	0.44	0.73	4.66	N/A	N/A
Diluted earnings per share (EPS) (in ₹) <sup>(5) (10)</sup>	0.30	0.44	0.73	4.66	N/A	N/A
Return on net worth (%) <sup>(6)</sup>	2.14%	4.09%	5.53%	3.50%	9.34%	4.85%
Net asset value per share (in ₹) <sup>(7)</sup>	10.92	10.80	10.90	10.36	10.36	NA
EBITDA (in ₹ million) <sup>(8)</sup>	9,820.13	9,274.26	18,215.29	1,523.22	13,174.34	8,027.10
Operating EBITDA (in ₹ million) <sup>(9)</sup>	9,315.65	9,146.10	17,464.70	1,513.81	13,096.16	7,948.88

\*Not annualised

### Notes:

- <sup>(1)</sup> Based on the Restated Consolidated Financial Information for the six month period ended September 30, 2024 and September 30, 2023 and for Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation after assets were transferred from NTPC Limited on February 28, 2023 to our Company. See "Restated Consolidated Financial Information" on page 282.
- <sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements from the accounts of NTPC Limited. This financial information is not of our Company and its consolidated subsidiaries and joint venture under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.
- <sup>(3)</sup> Accounting and other ratios are derived from the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements.
- <sup>(4)</sup> Basic EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding during the fiscal year/period.
- <sup>(5)</sup> Diluted EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding and equity shares that could have been issued upon conversion of all dilutive potential equity shares during the fiscal year/period.
- <sup>(6)</sup> Return on Net Worth (RoNW) is calculated as profit for the period/year divided by Net Worth as at the end of the year/period.
- <sup>(7)</sup> Net assets value per share (in ₹): Net asset value per share is calculated by dividing net worth by number of equity shares outstanding at the end of the fiscal year/period.
- <sup>(8)</sup> EBITDA stands for earnings before interest, taxes, depreciation and amortisation which have been arrived at by adding finance cost, depreciation and amortisation expense and total tax expense to the profit for the fiscal year/period.
- <sup>(9)</sup> Operating EBITDA is calculated as profit before tax for the year/period, plus finance costs and depreciation and amortisation expenses, less other income.
- <sup>(10)</sup> Since our Company was incorporated on April 7, 2022, Basic & Diluted EPS have been calculated for Restated Consolidated Financial Information only.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for Fiscals 2024 and 2023, along with the Special Purpose Carved-Out Combined Financial Statements and the audited financial statements of our Material Subsidiary as at and for Fiscals 2024, 2023 and 2022 (collectively, the "Audited Standalone Financial Statements") are available on our website at <https://ngel.in/page/financial-results>.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLMs, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

**Reconciliation of non-GAAP measures**

For details of Non – GAAP measures, please see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators and Non-GAAP Financial Measures*” on page 440.

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

The following discussion is intended to convey management's perspective on our financial condition and results of operations for Fiscals 2022, 2023 and 2024, and the six-month period ended September 30, 2024. We have included in this section a discussion of our financial statements on a restated consolidated basis, as well as on a "carved-out" consolidated basis. The discussion in this section is based on, and should be read in conjunction with, the Restated Consolidated Financial Information (including the schedules, notes and significant accounting policies thereto), included in "Restated Consolidated Financial Information" on page 282 and our Special Purpose Carved-Out Combined Financial Statements included in the section titled "Special Purpose Carved-Out Combined Financial Statements" on page 365.

The Restated Consolidated Financial Information have been derived from the audited Ind AS consolidated financial statements of the Company as at and for the years ended March 31, 2023 and 2024 and as at and for the six-months ended September 30, 2024, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Please also see "Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with IndAS contained in this Red Herring Prospectus", on page 86.

We began our operations in Fiscal 2014 as the Renewable Energy division of NTPC (the "**RE Division**"). On February 28, 2023, NTPC transferred its renewable energy assets, comprising of 15 solar and wind energy units (excluding certain assets and liabilities) operated through the RE Division (the "**RE Assets**"), to us pursuant to the business transfer agreement dated July 8, 2022 between NTPC and our Company (the "**Business Transfer**"). In addition, on February 28, 2023, NTPC transferred 100% of the equity interest in NTPC Renewable Energy Limited ("**NREL**") pursuant to the share purchase agreement dated July 8, 2022 between NTPC and our Company, following which NREL became our wholly owned Subsidiary (the "**NREL Transfer**"). Our Company was incorporated on April 7, 2022, prior to the Business Transfer and the NREL Transfer. For further details, see "History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations, any revaluation of assets, etc." on page 245. The Restated Consolidated Financial Information does not include financial information of or related to the operation of the RE Division prior to the acquisition by our Company of RE Assets pursuant to the Business Transfer or of NREL prior to it becoming a Subsidiary of our Company. The assets and liabilities of the RE Division are included in the restated consolidated balance sheet as at March 31, 2023, March 31, 2024 and September 30, 2024; however, the profit and loss and cash flows attributable to the operations acquired from the RE Division are not consolidated with our Company for the period from April 7, 2022 to February 28, 2023, and are consolidated only for the period from March 1, 2023 to March 31, 2023 in the Restated Consolidated Financial Information for Fiscal 2023. Similarly, the Restated Consolidated Financial Information does not include financial information for NREL prior to its acquisition by our Company, except that the assets and liabilities of NREL are included in the restated consolidated balance sheet as at March 31, 2023, March 31, 2024 and September 30, 2024, and the profit and loss and cash flows of NREL are consolidated for Fiscal 2023, Fiscal 2024 and the six-month period ended September 30, 2024. Accordingly, our results of operations and financial condition as set forth in the Restated Consolidated Financial Information are not comparable on a period-to-period basis.

For comparative purposes, we have prepared the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2022 and Fiscal 2023 on a "carved-out" basis as if we had been in existence as a separate company since April 1, 2021 and as at and for the fiscal years ended March 31, 2022 and March 31, 2023. Accordingly, the Special Purpose Carved-Out Combined Financial Statements and certain operating information for the periods prior to the Business Transfer and the NREL Transfer included elsewhere in this Red Herring Prospectus may not be reflective of our performance as a separate company after the Business Transfer and the NREL Transfer. For risks related to our carved-out financials see "Risk Factors - Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38 of this Red Herring

Prospectus.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Unless otherwise indicated or the context requires otherwise, (i) the financial information for Fiscal 2023 and Fiscal 2024, and the six-month period ended September 30, 2024, included herein have been derived from the restated consolidated balance sheets as at March 31, 2023, March 31, 2024 and September 30, 2024, and the restated consolidated statements of profit and loss, cash flows and changes in equity for Fiscal 2023 and Fiscal 2024, and the six-month period ended September 30, 2024, of the Company, together with the statement of significant accounting policies, and other explanatory information thereon, included herein have been prepared our management and reviewed by our statutory auditors, and (ii) special purpose carved-out combined financial information for Fiscal 2022 and Fiscal 2023 included herein have been prepared by NTPC and reviewed and audited by two of the previous statutory auditors of NTPC.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward-Looking Statements” on page 20 for a discussion of the risks and uncertainties related to those statements and also the sections titled “Risk Factors” and “Our Business” on pages 31 and 195, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, the industry-related information contained in this section is derived from a report titled “Strategic Assessment of the Indian Power and Renewable Energy Sector” dated November 2024, prepared by CRISIL Research, which has been prepared exclusively for the purpose of understanding the industry in connection with the Issue and commissioned and paid for by our Company in connection with the Issue (the “CRISIL Report”). The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. copy of the CRISIL Report is available on the website of our Company at <https://ngel.in/page/industry-report>.

## Overview

We are a wholly owned subsidiary of NTPC Limited, a ‘Maharatna’ central public sector enterprise. We are the largest renewable energy public sector enterprise (excluding hydro) in terms of operating capacity as of September 30, 2024 and power generation in Fiscal 2024. (Source: CRISIL Report, November 2024). Our renewable energy portfolio encompasses both solar and wind power assets with presence across multiple locations in more than six states which helps mitigate the risk of location-specific generation variability. (Source: CRISIL Report, November 2024). Our operational capacity was 3,220 MW of solar projects and 100 MW of wind projects across six (6) states as of September 30, 2024. We are strategically focused on developing a portfolio of utility-scale renewable energy projects, as well as projects for public sector undertakings (“PSUs”) and Indian corporates. Our projects generate renewable power and feed that power into the grid, supplying a utility or offtaker with energy. For our operational projects, we have entered into long-term Power Purchase Agreements (“PPAs”) or Letters of Award (“LoAs”) with an offtaker that is either a Central government agency like the Solar Energy Corporation of India (“SECI”) or a State government agency or public utility.

As of September 30, 2024, our “Portfolio” consisted of 16,896 MWs including 3,320 MWs of operating projects and 13,576 MWs of contracted and awarded projects. As of September 30, 2024, our “Capacity under Pipeline, for which a memorandum of understanding (“MOU”) or term sheet has been entered with joint venture partners or offtakers but where definitive agreements have not yet been entered, consisted of 9,175 MWs. As of September 30, 2024, our Capacity under Pipeline together with our Portfolio consisted of 26,071 MWs.

We measure the rated capacity of our plants in megawatts in alternate current (AC). Rated capacity is the expected maximum output that a power plant can produce without exceeding its design limits. “Megawatts Operating” represents the aggregate megawatt rated capacity of renewable power plants that are commissioned and operational as of the reporting date. “Megawatts Contracted & Awarded” represents the aggregate megawatt rated capacity of renewable power plants as of the reported date which include (i) PPAs signed with customers, and (ii) capacity won and allotted in auctions and where LoAs have been received.

The following tables set forth our (i) megawatts operating, (ii) megawatts contracted & awarded and (iii) megawatts operating, contracted and awarded, as of the end of the respective periods presented.

Particulars	Company Operating Data		Carved-out Operating Data <sup>(1)</sup>
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Megawatts Operating</b>			
Solar (MWs)	2,825	2,561	1,395
Wind (MWs)	100	50	50
<b>Total (MWs)</b>	<b>2,925</b>	<b>2,611</b>	<b>1,445</b>
<b>Megawatts Contracted &amp; Awarded</b>			
Solar (MWs)	9,571	5,750	4616
Wind (MWs)	2,000	500	150
<b>Total (MWs)</b>	<b>11,571</b>	<b>6,250</b>	<b>4,766</b>
<b>Megawatts Operating, Contracted &amp; Awarded</b>			
Solar (MWs)	12,396	8,311	6,011
Wind (MWs)	2,100	550	200
<b>Total (MWs)</b>	<b>14,496</b>	<b>8,861</b>	<b>6,211</b>

<sup>(1)</sup> Our Carved-out Operating Data as at March 31, 2022 is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company as at March 31, 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

Particulars	Company Operating Data	
	As at September 30, 2024	As at September 30, 2023
<b>Megawatts Operating</b>		
Solar (MWs)	3,220	2,661
Wind (MWs)	100	50
<b>Total (MWs)</b>	<b>3,320</b>	<b>2,711</b>
<b>Megawatts Contracted &amp; Awarded</b>		
Solar (MWs)	10,576	7,050
Wind (MWs)	3,000	1,550
<b>Total (MWs)</b>	<b>13,576</b>	<b>8,600</b>
<b>Megawatts Operating, Contracted &amp; Awarded</b>		
Solar (MWs)	13,796	9,711
Wind (MWs)	3,100	1,600
<b>Total (MWs)</b>	<b>16,896</b>	<b>11,311</b>

We are promoted by our parent company, NTPC Limited, India’s largest power company both in terms of installed capacity as of March 31, 2024 and power generation in Fiscal 2024. (Source: CRISIL Report, November 2024). NTPC Limited is a public sector enterprise under the ownership and administrative control of the Ministry of Power (“MOP”) of the Government of India (“GoI”). We benefit from the support, vision, resources and experience of NTPC Limited and its consolidated subsidiaries, associates and joint ventures (the “NTPC Group”), which is looking to expand its non-fossil based capacity to 45-50% of its portfolio that will include 60 GW renewable energy capacity by 2032. (Source: CRISIL Report, November 2024). The NTPC Group is committed to our long-term success as its sustainability arm and partner and looks upon us to lead its efforts in proactively supporting India’s energy transition to cleaner renewable energy.

In the six months period ended September 30, 2024 and Fiscal 2024, renewable energy sales accounted for 95.43% and 96.17%, respectively, of our revenue from operations as per our Restated Consolidated Financial Information. In Fiscal

2023 and Fiscal 2022, renewable energy sales accounted for 96.94% and 97.19%, respectively, of our revenue from operations as per our Special Purpose Carved-Out Combined Financial Statements.

The tables below set forth the break-up of our revenue from operations for the periods indicated.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>			
	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>						
Solar	18,403.54	93.77%	13,651.81	94.17%	8,447.56	92.79%
Wind	471.02	2.40%	401.30	2.77%	400.80	4.40%
<b>Consultancy, project management and supervision fee</b>	100.47	0.51%	0.00	0.00%	0.00	0.00%
<b>Other operating revenues recognized from Government Grants</b>	650.95	3.32%	443.98	3.06%	255.85	2.81%
<b>Interest from Customers</b>	-	0.00%	-	0.00%	-	0.00%
<b>Revenue from operations</b>	<b>19,625.98</b>	<b>100.00%</b>	<b>14,497.09</b>	<b>100.00%</b>	<b>9,104.21</b>	<b>100.00%</b>

<sup>(1)</sup> Based on Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282. For our Restated Consolidated Financial information for Fiscal 2023, see “Summary Financial Information” on page 96 and “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which includes the carved-out business in respect of RE Assets (part of the standalone financial statements of NTPC Limited until February 28, 2023) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and our consolidated financial statements for the year ended March 31, 2023. This carved-out financial information is not our financial information under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

(₹ in million)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Renewable Energy Sales</b>				
Solar	9,825.02	90.78%	9,514.17	94.36%
Wind	503.20	4.65%	255.09	2.53%
<b>Consultancy, project management and supervision fee</b>	140.42	1.30%	0.00	0.00%
<b>Other operating revenues recognized from Government Grants</b>	327.79	3.03%	313.95	3.11%
<b>Interest from Customers</b>	26.48	0.24%	0.00	0.00%

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>			
	Six months period ended September 30, 2024		Six months period ended September 30, 2023	
	(₹ in million)	% Revenue from operations	(₹ in million)	% Revenue from operations
<b>Revenue from operations</b>	10,822.91	100.00%	10,083.21	100.00%

<sup>(1)</sup> Based on Restated Consolidated Financial Information for the six months periods ended September 30, 2024 and 2023. See “Restated Consolidated Financial Information” on page 282.

As of September 30, 2024, we had 17 offtakers across 41 solar projects and 11 wind projects. We define offtakers as parties with whom we have megawatts operating, contracted or awarded (signed PPA or from whom we have received an LoA). As of September 30, 2024, all 9 of our offtakers from which we earned revenue in the six months period ended September 30, 2024 were government agencies and public utilities with which we have long-term PPAs with an average term of 25 years. We along with the NTPC Group have a demonstrated track record of developing, constructing and operating renewable power projects, driven by our experienced in-house management and procurement teams. As of September 30, 2024, we are in the process of constructing 36 renewable energy projects in 6 states consisting of 13,576 MWs Contracted and Awarded. For details of our projects, see “Our Business -Our Projects – Contracted & Awarded Projects” on page 217.

We are considered a partner of choice by many PSUs for fulfillment of their renewable energy development goals. We have signed joint venture agreements to produce renewable power with Rajasthan Rajya Vidyut Utpadan Nigam Limited (RRVUNL), Mahatma Phule Renewable Energy & Infrastructure Technology Limited (MAHAPREIT), Damodar Valley Corporation (DVC) and two other PSUs and have signed MOUs or term sheets with other private corporates. For more information, see “Our Business - Our Projects – Pipeline and Joint Ventures” on page 219.

The following table sets forth our Megawatts Operating, Contracted & Awarded and Total Megawatts Operating, Contracted & Awarded plus Capacity under Pipeline as of September 30, 2024. Our Capacity under Pipeline represents our future development opportunities.

	As at September 30, 2024
<b>Megawatts Operating, Contracted &amp; Awarded (MWs)</b>	<b>16,896</b>
<b>Capacity under Pipeline<sup>(1)</sup></b>	
Solar (MWs)	6,925
Wind (MWs)	2,250
<b>Total (MWs)</b>	<b>9,175</b>
<b>Total Megawatts Operating, Contracted &amp; Awarded plus Capacity under Pipeline (MWs)</b>	<b>26,071</b>

<sup>(1)</sup> Capacity under Pipeline Data as at September 30, 2024 is based on signed term sheets, Memorandum of Understanding, and executed JV agreement with various agencies for the development of multiple projects including the Renewable Energy (RE) Round-the-Clock (RTC) Power Projects. In these agreements, the committed power supply is on an RTC basis and actual installed power capacity have to be more than the agreed power mentioned in the respective agreements to meet the required capacity.

As of September 30, 2024, we had 3,320 MWs operating across 17 solar projects and 2 wind projects. For more information, see “Our Business - Our Projects - Operational Projects” on page 216. We regularly measure the performance of our plants by using the industry measure, generation/capacity utilization factor (“CUF”). The CUF is lower in solar power plants as compared to thermal power plants given the nature of operations (availability when the sun is shining, or wind is turning turbines). The following table sets forth our electricity generation in kWh and our CUF for our operating renewable energy plants for the periods indicated.



Particulars	Company Operating Data			Carved-out Operating Data <sup>(1)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Electricity generation (kWh millions)					
Solar	3,117.95	2,907.21	5,590.70	3,759.49	1,863.88
Wind	124.15	66.19	121.78	103.28	103.64
<b>Total</b>	<b>3,242.10</b>	<b>2,973.41</b>	<b>5,712.48</b>	<b>3,862.77</b>	<b>1,967.53</b>
Capacity utilization factor <sup>(2)</sup> (%)					
Solar	24.61%	25.04%	23.97%	22.74%	19.21%
Wind <sup>(3)</sup>	28.27%	30.14%	19.78%	23.58%	23.66%
<b>Total</b>	<b>24.73%</b>	<b>25.13%</b>	<b>23.86%</b>	<b>22.76%</b>	<b>19.40%</b>

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “*Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company*” on page 38.

<sup>(2)</sup> Capacity utilization refers to the weighted average of CUF of installed capacity in the portfolio as on given date.

<sup>(3)</sup> Wind CUF is lower in Fiscal 2024 mainly due to the commissioning of the new Dayapar wind project during the low wind season.

We believe that we, along with the NTPC Group, have strong inhouse experience in renewable energy project execution and procurement. In solar projects, we usually take responsibility for procurement of major equipment and supplies and the contractor builds, commissions and hands over the solar plant. We also use the turnkey EPC contract model based on specific project conditions. In wind projects, we generally use the turnkey EPC model, entering into contracts with OEMs for manufacturing, installing, and commissioning wind turbines and the balance of plant.

Operation and maintenance (“**O&M**”) services for our renewable energy projects are provided through third-party service providers. We have a strong focus on improving the operational efficiency of our plants. Towards that end, we are employing technologies including

- Robotic dry cleaning of photovoltaic (“**PV**”) arrays;
- Drone photovoltaic thermography;
- String Combiner Box (“**SCB**”) thermography;
- Live dashboards for generation performance monitoring on our plant information server;
- Mechanized module washing, vegetation removal;
- CCTV Surveillance for plant security; and
- Module and string level I-V tracing.

We believe that by the use of these O&M technologies and by adopting industry-leading O&M practices, we will be able to maximize and maintain the efficiency and life cycles of our equipment. For more information, see “*Our Business - Operations and Maintenance*” on page 226.

We have a strong management team with extensive experience in the renewable energy sector, in-depth understanding of managing solar and wind power projects and proven track record of performance. Our senior management team, led by the Board of Directors, have decades of experience in the Indian power industry. We believe that we will continue to benefit from the experience, leadership and vision of our management team and Board. For additional details, see “*Our Management*” on page 252.

## **Principal Factors Affecting our Results of Operations**

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense global and domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of supplies, COVID-19-related effects on global and domestic economic conditions, and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled “*Risk Factors*” on page 31.

### ***Continued expansion and changing profitability of our renewable energy projects***

Our power generation business and, in turn, our results of operations and financial condition are significantly affected by the power generation capacity of our renewable energy power plants in operation and our ability to grow our portfolio of renewable energy power plants by successfully completing and commissioning projects under development. We have till date grown our business by bidding and winning tenders for projects sponsored by Central and State government agencies and state public utilities and memoranda of understanding (“MOUs”) and agreements that we enter with our joint venture partners and offtakers. We expect to continue to increase our installed power generation capacity primarily by completing our solar and wind energy power projects under development and looking for growth opportunities with PSUs, as well as private corporates. We also regularly evaluate potential opportunities to acquire renewable energy assets. As of September 30, 2024, the aggregate installed capacity of our portfolio of operating solar and wind power projects is 3,320 MW, and our portfolio of contracted & award projects is 13,576 MW.

Our expectations on the costs of developing and constructing, and the timing of the commencement of operations, of our projects are estimates and subject to delay for any reason, including without limitation delays in securing the necessary approvals, licenses and permits, failure of our EPC contractors and suppliers to perform their obligations in a timely manner, disruptions at project sites due to labour shortages or disruptions in the transport network that brings in our labour for projects, delays caused by local and seasonal weather conditions, and various other risks and uncertainties. The failure to complete the construction and development of our projects as planned or at all could result in higher costs, penalties and lower returns, which could adversely affect our business, financial condition and results of operations. For further information, please see “*Risk Factors – We operate in a competitive industry and as such may not be able to acquire rights to develop and generate power from new solar projects through the competitive bidding process.*” and “*Risk Factors – We have substantial capital expenditure requirements and may require additional financing to meet those requirements, which could have an adverse effect on our results of operations and financial condition.*” on pages 49 and 58, respectively.

### ***Pace of development of portfolio of renewable energy projects***

The pace at which we develop, construct and implement our projects will have a significant effect on our capital requirements, financial condition and results of operations. The implementation and construction of power plants require us to make significant advances and prepayments to vendors and suppliers of key equipment and materials and to contractors and incur substantial expense relating to project management and employee costs of implementing the projects, interest and financing charges for debt financing, costs for land procurement and any other expenses for such projects not directly related to asset creation. While such expenses are being incurred to implement the project, such projects will not be generating any revenue in the corresponding period. In addition, the cost of key equipment and materials could also fluctuate and increase unexpectedly. If the timing of project implementation is shortened or costs of developing and construction of our projects increase or if we identify attractive opportunities to acquire additional renewable energy assets, we may be required to raise additional debt financing to meet our payment obligations earlier than expected, which may not be available on commercially reasonable terms or at all. For further information, please see “*Risk Factors – There is a time gap between making significant upfront investments in our solar, wind and other renewable energy projects and receiving revenue which could have an adverse effect on our business, results of operations and financial condition.*” on page 49.

### ***Output and generation/capacity utilization factor (CUF)***

We regularly measure the performance of our plants by using the industry measure, generation/capacity utilization factor (“CUF”). The following table sets forth our electricity generation in kWh and our CUF for our operating renewable energy plants for the periods indicated.

Particulars	Company Operating Data			Carved-out Operating Data <sup>(1)</sup>	
	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
Electricity generation (kWh millions)					
Solar	3,117.95	2,907.21	5,590.70	3,759.49	1,863.88
Wind	124.15	66.19	121.78	103.28	103.64
<b>Total</b>	<b>3,242.10</b>	<b>2,973.41</b>	<b>5,712.48</b>	<b>3,862.77</b>	<b>1,967.53</b>
Capacity utilization factor <sup>(2)</sup> (%)					
Solar	24.61%	25.04%	23.97%	22.74%	19.21%
Wind <sup>(3)</sup>	28.27%	30.14%	19.78%	23.58%	23.66%
<b>Total</b>	<b>24.73%</b>	<b>25.13%</b>	<b>23.86%</b>	<b>22.76%</b>	<b>19.40%</b>

<sup>(1)</sup> Our Carved-out Operating Data is based on the carved-out consolidated operating data pertaining to the RE Assets of NTPC Limited, NREL and our Company for Fiscal 2023 and Fiscal 2022. This Carved-out Operating Data is not our operating data under the leadership of our current management and board. See “*Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company*” on page 38.

<sup>(2)</sup> Capacity Utilization refers to the weighted average of CUF of installed capacity in the portfolio as on given date.

<sup>(3)</sup> Wind CUF is lower in Fiscal 2024 mainly due to the commissioning of the new Dayapar wind project during the low wind season.

We try to maintain as high CUF as possible by following best practices in the operation and maintenance of our power plants. As our operating power plants stabilize and new power plants are commissioned and mature, we expect our power generation operations to become more efficient and, accordingly, CUFs to improve. In addition, we intend to implement new technologies, including new turbine and solar module technologies, which are capable of higher generation levels. If we are unable to perform as per the designed efficiency in the case of our existing power generation operations or if our newer power plants under development do not perform as expected when they become operational for any reasons (including without limitation unfavourable weather conditions, high levels of air pollution, and equipment failure), our profitability and our results of operations may be adversely affected. For more information on our existing renewable energy power projects and our projects under development, please see “*Risk Factors – The generation of electricity from solar and wind sources depends heavily on suitable meteorological and climate conditions. Unfavourable weather conditions could have a significant impact on our business prospects and future financial performance. Further, the physical conditions surrounding the wind turbine generators and solar farms may interfere with the operational performance of these assets.*”, “*Our Business – Operational Projects*” and “*Our Business – Contracted & Awarded Projects*” on pages 55, 216 and 217, respectively.

### ***Changes in the regulatory environment, including favorable government policies***

The growth of the power industry in India and of our business is dependent on the continued support of the Government, including the promulgation of policies and regulations aimed at improving investments in the power sector and encouraging renewable energy. We receive certain benefits and incentives for some of our renewable energy power projects. For example, we are eligible to receive government grants under viability gap funding (VGF) for projects under the CPSE scheme & UMREPP. Any changes in government policies that reduce or eliminate the benefits and incentives that we receive or expect to receive could have an adverse impact on our business and results of operations. For more information on regulatory incentives available to us, please see “*Industry Overview*”, “*Risk Factors*” and “*Key Regulations and Policies in India*” on pages 151, 31 and 236, respectively.

### ***Interest rates***

Our power generation business is capital intensive. As a result, we rely substantially on debt financing to meet our capital expenditure and working capital requirements. As at September 30, 2024, we had total borrowings of ₹170,574.96 million, which are subject to periodic resets on the interest rate. Therefore, the interest rates on our borrowings may change annually if the underlying benchmark interest rate changes. An increase in interest expense is likely to have an adverse effect on our results of operation and may increase project costs and cost of capital to us for our operations in project development.

### ***Investments in, and development of, new energy solutions***

We are investing in hydrogen, green chemical and battery storage capabilities and solutions as well as associated technologies. Our current initiatives in green hydrogen and green chemicals include the development of a green hydrogen hub at Pudimadaka and finalizing a tie-up for electrolyzers. In the area of battery storage, we intend to install the Grid scale battery storage as part of Firm and Dispatchable Renewable Energy (FDRE)/Round-the-Clock (RTC) projects to complement the solar and wind power in addition to participate in standalone Grid scale battery energy storage system service tenders in the market for various DISCOMS or Grid balancing. Further, we are in process to install Battery Energy Storage at a NTPC Thermal plant to smooth the flexibilization on pilot basis.

Investments in the development and implementation of such new technologies requires substantial capital investment. The actual amount and timing of our future capital requirements may vary from planned projections as a result of, among other things, unforeseen delays or cost overruns in developing our products and services, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. Further, green hydrogen is not commercially viable as on the date of this Red Herring Prospectus; and there can make no assurance that green hydrogen will be commercially viable in future. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price. Furthermore, there is no assurance that such new technologies or initiatives will prove successful in gaining customer acceptance and achieving commercial success. Any inability to capitalize on our investment in these new technologies and capabilities could have an adverse impact on our business, financial condition and results of operations.

### ***Strategic consolidation exercise***

Effective as of February 28, 2023, the Company acquired the RE Assets pursuant to the business transfer agreement entered into with NTPC, our Promoter. The total consideration paid by the Company for the RE Assets was ₹120,105.50 million. Further on February 28, 2023, the Company also acquired NREL as a wholly owned subsidiary from NTPC, our Promoter, for a total purchase consideration of ₹10,944.64 million.

The Restated Consolidated Financial Information does not include the financial information for either the business attributable to the RE Assets or NREL prior to their respective acquisitions by our Company. The RE Assets that were acquired are included in the restated consolidated balance sheet of the Company as at March 31, 2023, March 31, 2024 and September 30, 2024; however, for Fiscal 2023, the profit and loss and cashflows attributable to the RE Assets acquired from NTPC were consolidated only for the month of March 2023. The assets and liabilities of NREL are included in the restated consolidated balance sheet of the Company as at March 31, 2023, March 31, 2024 and September 30, 2024, and the profit and loss and cashflows of NREL are consolidated for Fiscal 2023, Fiscal 2024 and the six-month period ended September 30, 2024.

Accordingly, the Restated Consolidated Financial Information is not comparable from period to period, particularly from Fiscal 2023 to Fiscal 2024, and does not fully reflect the Company, the business operations attributable to the RE Assets, and NREL on a consolidated basis. Investors are therefore cautioned against relying on the Restated Consolidated Financial Information as the periods provided are not comparable to each other and will not be comparable for any future financial statements that we may prepare.

For the purpose of understanding the combined businesses of our Company, the RE Assets, and NREL, we have prepared the Special Purpose Carved-Out Combined Financial Statements as at, and for fiscal years ended March 31, 2022 and March 31, 2023. The Special Purpose Carved-Out Combined Financial Statements were prepared as if the acquisition of the RE Assets and of NREL occurred on April 1, 2021. Because of its nature, the Special Purpose Carved-Out Combined Financial Statements address a hypothetical situation and, therefore, are subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the results of operations and the financial position that would have resulted had the transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

In addition to the Special Purpose Carved-Out Combined Financial Statements, we present certain other financial information, operating data, key financial indicators and non-GAAP financial measures “*on a carved-out basis*” which indicate that the information was prepared to give effect to the combination of our Company, the RE Assets, and NREL as if the acquisition of the RE Assets and of NREL occurred immediately before the start of Fiscal 2022.

Because of its nature, the financial information, operating data, key financial indicators and non-GAAP financial measures presented “*on a carved-out basis*” address a hypothetical situation and, therefore, are subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the financial and operating information that would have resulted had the above-mentioned acquisition transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

Further, the Special Purpose Carved-Out Combined Financial Statements and other information and operating data based thereon or derived therefrom have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India (including in the United States), and, accordingly, should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. The procedures performed by two of the previous statutory auditors of NTPC on the Special Purpose Carved-Out Combined Financial Statements have not been carried out in accordance with attestation standards and practices generally accepted in the United States of America, and accordingly, should not be relied on as if they had been carried out in accordance with those standards. For information on the Special Purpose Carved-Out Combined Financial Statements, see “*Special Purpose Carved-Out Combined Financial Statements*” beginning on page 365.

### **Key Performance Indicators and Non-GAAP Financial Measures**

In addition to our financial results determined in accordance with Ind AS, we consider and use those certain non-GAAP financial measures and key performance indicators that are presented below as supplemental measures to review and assess our operating performance. Our management does not consider these non-GAAP financial measures and key performance indicators in isolation or as an alternative or substitutive to the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements. We present these non-GAAP financial measures and key performance indicators because we believe they are useful to our Company in assessing and evaluating our operating performance, and for internal planning and forecasting purposes. We believe these non-GAAP financial measures could help investors as an additional tool to evaluate our ongoing operating results and trends with a more granular view of our financial performance.

Non-GAAP financial information are not recognized under Ind AS and do not have standardized meanings prescribed by Ind AS. In addition, non-GAAP financial measures and key performance indicators used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on

any single financial measure to evaluate our business. Other companies may calculate non-GAAP metrics differently from the way we calculate these metrics. See “Risk Factors – We have in this Red Herring Prospectus included certain Non-GAAP Measures that may vary from any standard methodology that is applicable across the Indian renewable energy industry and may not be comparable with financial information of similar nomenclature computed and presented by other companies” on page 84.

The following sets forth key performance indicators and non-GAAP financial measures reconciled to our Restated Consolidated Financial Information or our Special Purpose Carved-Out Combined Financial Statements (as applicable) for the periods indicated.

(₹ in millions, except for ratios and percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	As at, or the six months ended, September 30	
	2024*	2023*
EBITDA <sup>(3)</sup>	9,820.13	9,274.26
EBITDA Margin <sup>(4)</sup>	86.69%	90.82%
Operating EBITDA <sup>(5)</sup>	9,315.65	9,146.10
Operating EBITDA Margin <sup>(6)</sup>	86.07%	90.71%
Net Debt <sup>(7)</sup>	156,020.55	92,913.65
Net Debt / Equity Ratio <sup>(8)</sup>	1.91	1.82
Return on Average Equity <sup>(9)</sup>	2.43%	4.17%
PAT Margin <sup>(10)</sup>	16.20%	20.64%
Net Worth <sup>(11)</sup>	81,891.82	50,955.83
Return on Net Worth <sup>(12)</sup>	2.14%	4.09%
Net Asset Value per Equity Share (in ₹) <sup>(13)</sup>	10.92	10.80

Notes:

\* not annualized

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for six months ended September 30, 2024 and September 30, 2023. See “Restated Consolidated Financial Information” on page 282.

(₹ in millions, except for ratios and percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at, or for the fiscal year ended, March 31, 2024	As at, or for the fiscal year ended, March 31, 2023	As at, or for the fiscal year ended, March 31, 2022
	EBITDA <sup>(3)</sup>	18,215.29	13,174.34
EBITDA Margin <sup>(4)</sup>	89.39%	90.39%	87.42%
Operating EBITDA <sup>(5)</sup>	17,464.70	13,096.16	7,948.88
Operating EBITDA Margin <sup>(6)</sup>	88.99%	90.34%	87.31%
Net Debt <sup>(7)</sup>	123,245.97	53,450.95	86,148.76
Net Debt / Equity Ratio <sup>(8)</sup>	1.98	1.09	4.41
Return on Average Equity <sup>(9)</sup>	6.20%	13.35%	5.79%
PAT Margin <sup>(10)</sup>	17.56%	31.49%	10.41%
Net Worth <sup>(11)</sup>	62,321.42	48,874.32	19,515.29
Return on Net Worth <sup>(12)</sup>	5.53%	9.34%	4.85%
Net Asset Value per Equity Share (in ₹) <sup>(13)</sup>	10.90	10.36	N/A

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

<sup>(3)</sup> EBITDA is calculated as the sum of (i) profit for the period/year, (ii) total tax expenses, (iii) finance costs, and (iv) depreciation and

amortization expenses.

(4) EBITDA Margin (%) is calculated as EBITDA divided by total income.

(5) Operating EBITDA is calculated as the sum of (i) profit before tax for the period/year, (ii) finance costs, and (ii) depreciation and amortization expenses, less other income.

(6) Operating EBITDA Margin (%) is calculated as Operating EBITDA divided by revenue from operations.

(7) Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year.

(8) Net Debt / Equity Ratio is calculated as net debt divided by total equity.

(9) Return on Average Equity is calculated as (i) profit for the period/year divided by (ii) the sum of total equity at the beginning of the period and the total equity at the end of the period, divided by 2.

(10) PAT Margin is calculated as profit for the period/year divided by revenue from operations.

(11) Net Worth is calculated as the sum of equity share capital and other equity excluding non controlling interest.

(12) Return on Net Worth is calculated as profit for the period/year divided by Net Worth as at the end of the year/period.

(13) Net Asset Value per Share is calculated as Net Worth divided by the number of equity shares outstanding as at the end of the period/year.

## EBITDA and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024 on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022.

(₹ in millions, except for percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Total Income (A)	11,327.39	10,211.37
Profit for the period/year (B)	1,753.00	2,081.62
Add: Finance costs (C)	3,778.15	3,356.89
Add: Total tax expense (D)	710.70	726.38
Add: Depreciation and amortization expense (E)	3,578.28	3,109.37
<b>EBITDA (F=B+C+D+E)</b>	<b>9,820.13</b>	<b>9,274.26</b>
<b>EBITDA Margin (G=F/A)</b>	<b>86.69%</b>	<b>90.82%</b>

Notes:

(1) Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(₹ in millions, except for percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
	Total Income (A)	20,376.57	14,575.27
Profit for the period/year (B)	3,447.21	4,564.88	947.42
Add: Finance costs (C)	6,905.73	4,700.64	2,530.49
Add: Total tax expense (D)	1,434.77	(656.01)	1,721.57
Add: Depreciation and amortization expense (E)	6,427.58	4,564.83	2,827.62
<b>EBITDA (F=B+C+D+E)</b>	<b>18,215.29</b>	<b>13,174.34</b>	<b>8,027.10</b>
<b>EBITDA Margin (G=F/A)</b>	<b>89.39%</b>	<b>90.39%</b>	<b>87.42%</b>

Notes:

(1) Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

(2) Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our

Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Operating EBITDA and Operating EBITDA Margin

The following table sets forth our Operating EBITDA and Operating EBITDA Margin for the six-month period ended September 30, 2024 and September 30, 2023 and Fiscal 2024 on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month period ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022.

(₹ in millions, except for percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Revenue from operations (A)	10,822.91	10,083.21
Profit before tax for the period/year (B)	2,463.70	2,808.00
Add: Finance costs (C)	3,778.15	3,356.89
Add: Depreciation and amortization expense (D)	3,578.28	3,109.37
(Less): Other income (E)	504.48	128.16
<b>Operating EBITDA (F=B+C+D-E)</b>	<b>9,315.65</b>	<b>9,146.10</b>
<b>Operating EBITDA Margin (G=F/A)</b>	<b>86.07%</b>	<b>90.71%</b>

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See “Restated Consolidated Financial Information” on page 282.

(₹ in millions, except for percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
	Revenue from operations (A)	19,625.98	14,497.09
Profit before tax for the period/year (B)	4,881.98	3,908.87	2,668.99
Add: Finance costs (C)	6,905.73	4,700.64	2,530.49
Add: Depreciation and amortization expense (D)	6,427.58	4,564.83	2,827.62
(Less): Other income (E)	750.59	78.18	78.22
<b>Operating EBITDA (F=B+C+D-E)</b>	<b>17,464.70</b>	<b>13,096.16</b>	<b>7,948.88</b>
<b>Operating EBITDA Margin (G=F/A)</b>	<b>88.99%</b>	<b>90.34%</b>	<b>87.31%</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Net Debt

The following table sets forth our Net Debt as at September 30, 2024 and March 31, 2024, on a restated



consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month period ended September 30, 2024 and Fiscal 2024, and as at March 31, 2023 and March 31, 2022, on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year.

(in ₹ millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Non-current borrowings (1)	164,021.91	91,021.39
Current borrowings (2)	6,553.05	6,206.90
<b>Total borrowings (A=(1)+(2))</b>	<b>170,574.96</b>	<b>97,228.29</b>
Cash and cash equivalents (3)	12,522.53	25.61
Bank balances other than cash and cash equivalents (4)	2,031.88	4,289.03
<b>Net Debt (B=A-(3+4))</b>	<b>156,020.55</b>	<b>92,913.65</b>

Notes:

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(in ₹ millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Non-current borrowings (1)	121,645.11	52,435.31
Current borrowings (2)	6,322.29	1,743.10	472.14
<b>Total borrowings (A=(1)+(2))</b>	<b>1,27,967.40</b>	<b>54,178.41</b>	<b>86,211.83</b>
Cash and cash equivalents (3)	1,156.27	727.46	63.07
Bank balances other than cash and cash equivalents (4)	3,565.16	-	-
<b>Net Debt (B=A-(3+4))</b>	<b>123,245.97</b>	<b>53,450.95</b>	<b>86,148.76</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### Net Debt / Equity Ratio

The following table sets forth our Net Debt / Equity Ratio for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Net Debt / Equity Ratio is calculated as Net Debt divided by total equity. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year.

(in ₹ millions, except ratios)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Non-current borrowings (1)	164,021.91	91,021.39
Current borrowings (2)	6,553.05	6,206.90
<b>Total borrowings (A=(1)+(2))</b>	<b>170,574.96</b>	<b>97,228.29</b>
Cash and cash equivalents (3)	12,522.53	25.61
Bank balances other than cash and cash equivalents (4)	2,031.88	4,289.03
<b>Net Debt (B=A-(3+4))</b>	<b>156,020.55</b>	<b>92,913.65</b>
Total equity (C)	81,891.82	50,955.83
<b>Net Debt / Equity Ratio (D=B/C)</b>	<b>1.91</b>	<b>1.82</b>

Notes:

\* not annualized

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(in ₹ millions, except ratios)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at, or for the fiscal year ended, March 31, 2024	As at, or for the fiscal year ended, March 31, 2023	As at, or for the fiscal year ended, March 31, 2022
	Non-current borrowings (1)	121,645.11	52,435.31
Current borrowings (2)	6,322.29	1,743.10	472.14
<b>Total borrowings (A=(1)+(2))</b>	<b>127,967.40</b>	<b>54,178.41</b>	<b>86,211.83</b>
Cash and cash equivalents (3)	1,156.27	727.46	63.07
Bank balances other than cash and cash equivalents (4)	3,565.16	-	-
<b>Net Debt (B=A-(3+4))</b>	<b>123,245.97</b>	<b>53,450.95</b>	<b>86,148.76</b>
Total equity (C)	62,321.42	48,874.32	19,515.29
<b>Net Debt / Equity Ratio (D=B/C)</b>	<b>1.98</b>	<b>1.09</b>	<b>4.41</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### Return on Average Equity

The following table sets forth our Return on Average Equity for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024 on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Return on Average Equity is calculated as (i) profit for the period/year divided by (ii) the sum of total equity at the beginning of the period and the total equity at the end of the period, divided by 2.

(in ₹ millions, except ratios)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Profit for the period/year (A)	1,753.00	2,081.62
Total equity at the beginning of the year (1)	62,321.42	48,874.32
Total equity at the end of the year (2)	81,891.82	50,955.83
<b>Average Equity (B=((1)+(2))/2)</b>	72,106.62	49,915.08
<b>Return on Average Equity (C=A/B)</b>	2.43%	4.17%

Notes:

\* not annualized

(1) Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(in ₹ millions, except ratios)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
	Profit for the period/year (A)	3,447.21	4,564.88
Total equity at the beginning of the year (1)	48,874.32	19,515.29	13,190.30
Total equity at the end of the year (2)	62,321.42	48,874.32	19,515.29
<b>Average Equity (B=((1)+(2))/2)</b>	<b>55,597.87</b>	<b>34,194.81</b>	<b>16,352.80</b>
<b>Return on Average Equity (C=A/B)</b>	<b>6.20%</b>	<b>13.35%</b>	<b>5.79%</b>

Notes:

(1) Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

(2) Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

## PAT Margin

The following table sets forth our PAT Margin for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024 on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. PAT Margin is calculated as profit for the period/year divided by revenue from operations.

(in ₹ millions, except percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Profit for the period/year (A)	1,753.00	2,081.62
Revenue from operations (B)	<b>10,822.91</b>	<b>10,083.21</b>
<b>PAT Margin (C=A/B)</b>	<b>16.20%</b>	<b>20.64%</b>

Notes:

(1) Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(in ₹ millions, except percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
Profit for the period/year (A)	3,447.21	4,564.88	947.42
Revenue from operations (B)	<b>19,625.98</b>	<b>14,497.09</b>	<b>9,104.21</b>
<b>PAT Margin (C=A/B)</b>	<b>17.56%</b>	<b>31.49%</b>	<b>10.41%</b>

Notes:

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Net Worth

The following table sets forth our Net Worth as at September 30, 2024 and September 30, 2023 and March 31, 2024, on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, and as at March 31, 2023 and March 31, 2022, on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Net Worth is calculated as the sum of equity share capital and other equity (excluding non-controlling interest).

(in ₹ millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Equity share capital (A)	75,000.00	47,196.11
Other equity (B)	6,891.82	3,759.72
<b>Net Worth (D=A+B)</b>	<b>81,891.82</b>	<b>50,955.83</b>

Notes:

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See “Restated Consolidated Financial Information” on page 282.

(in ₹ millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity share capital (A)	57,196.11	47,196.11	-
Other equity (B)	5,125.31	1,678.21	19,515.29
<b>Net Worth (D=A+B)</b>	<b>62,321.42</b>	<b>48,874.32</b>	<b>19,515.29</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

## Return on Net Worth

The following table sets forth our Return on Net Worth for the six-month periods ended September 30, 2024 and September 30, 2023 and Fiscal 2024, on a restated consolidated basis, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the six-month period ended September 30, 2024 and Fiscal 2024, and for Fiscal 2023 and Fiscal 2022 on a carved-out basis, including a reconciliation of each such financial measure to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Return on Net Worth is calculated as profit for the period/year divided by Net Worth as at the end of the period/year.

(in ₹ millions, except percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Profit for the period/year (A)	1,753.00	2,081.62
Net Worth (B)	81,891.82	50,955.83
<b>Return on Net Worth (C=A/B)</b>	<b>2.14%</b>	<b>4.09%</b>

Notes:

\* Not annualized

(1) Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See "Restated Consolidated Financial Information" on page 282.

(in ₹ millions, except percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at, or for the fiscal year ended, March 31, 2024	As at, or for the fiscal year ended, March 31, 2023	As at, or for the fiscal year ended, March 31, 2022
	Profit for the period/year (A)	3,447.21	4,564.88
Net Worth (B)	62,321.42	48,874.32	19,515.29
<b>Return on Net Worth (C=A/B)</b>	<b>5.53%</b>	<b>9.34%</b>	<b>4.85%</b>

Notes:

(1) Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

(2) Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

## Net Asset Value per Equity Share

The following table sets forth our Net Asset Value per Equity Share as at September 30, 2024, September 30, 2023, March 31, 2024, March 31, 2023 and March 31, 2022 including a reconciliation of such financial measure to the Restated Consolidated Financial Information for Fiscal 2024 and the six-month periods ended September 30, 2024 and September 30, 2023, and to the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022. Net Asset Value per Equity Share is calculated as Net Worth divided by number of equity shares outstanding as at the end of the period/year.

(in ₹ million, except as stated otherwise)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	
	For the six months ended September 30,	
	2024	2023
Equity share capital (A)	75,000.00	47,196.11
Other equity (B)	6,891.82	3,759.72
<b>Net Worth (D=A+B)</b>	<b>81,891.82</b>	<b>50,955.83</b>
Number of equity shares outstanding as at the	7,500,000,000	4,719,611,035

period/ year end		
<b>Net Asset Value per Equity Share (in ₹)</b>	<b>10.92</b>	<b>10.80</b>

Notes:

<sup>(1)</sup> Based on our Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023. See “Restated Consolidated Financial Information” on page 282.

(in ₹million, except as stated otherwise)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity share capital (A)	57,196.11	47,196.11	-
Other equity (B)	5,125.31	1,678.21	19,515.29
<b>Net Worth (D=A+B)</b>	<b>62,321.42</b>	<b>48,874.32</b>	<b>19,515.29</b>
Number of equity shares outstanding as at the period/ year end	5,719,611,035	4,719,611,035	NA
<b>Net Asset Value per Equity Share (in ₹)</b>	<b>10.90</b>	<b>10.36</b>	<b>NA</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

## Material Accounting Policy Information for the Restated Consolidated Financial Information

### 1. Basis of preparation and presentation of Restated Consolidated Financial Information

#### i) Statement of compliance

The Restated Consolidated Financial Information of the Group comprise of the Restated Consolidated Balance Sheet of the Company as at 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the six months ended on 30 September 2024, for the year ended on 31 March 2024 and for the period 07 April 2022 to 31 March 2023, the Material Accounting Policy Information, and other explanatory notes. These have been prepared specifically for preparation of Restated Consolidated Financial Information which will be used for inclusion in the Draft Red Herring Prospectus (“DRHP”)/ Red Herring Prospectus (“RHP”) and a Prospectus, and any other documents in relation to the IPO (collectively referred to as “Offer Documents”) to be filed by the Company with the Securities and Exchange Board of India (“SEBI”) and other relevant authorities (including the Stock Exchanges and Registrar of Companies, at Delhi and Haryana ) in connection with the proposed Initial Public Offer (proposed IPO).

The Restated Consolidated Financial Information have been prepared in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”) and
- Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India (‘SEBI’) on September 11, 2018, as amended (“the SEBI ICDR Regulations”) in pursuance of the Securities and Exchange Board of India Act, 1992.
- The Guidance Note on Reports in Company prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“the ICAI”), as amended from time to time, (“the Guidance Note”).

The Restated Consolidated Financial Information have been compiled from Audited Consolidated Ind AS

Financial Statements of the Company as at and for the period ended on 30 September 2024, 30 September 2023, 31 March 2024 and 31 March 2023 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as “Ind AS”), the provisions of the Electricity Act, 2003 to the extent applicable and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on 30 October 2024, 17 May 2024 and 15 May 2023 respectively.

The Consolidated Financial Statements of the company as at and for the period ended 31 March 2024 and 31 March 2023 have been subjected to supplementary audit u/s 143(6) or (7) of the Act by the office of the Comptroller and Auditor-General of India (C&AG).

The Restated Consolidated Financial Information is prepared on a going concern basis, on accrual basis of accounting and after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024 and for the period 07 April 2022 to 31 March 2023, to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the six months ended on 30 September 2024, as applicable

*ii) Basis of measurement*

The Restated consolidated financial statements have been prepared on historical cost basis except for Certain financial assets and liabilities that are measured at fair value (refer serial no. C.20 of accounting policy regarding financial instruments).

The methods used to measure fair values are discussed in notes to the financial statements.

*iii) Functional and presentation currency*

These Restated consolidated financial statements are presented in Indian Rupees (₹) which is the Company’s functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Million (upto two decimals), except when indicated otherwise.

*iv) Current and non-current classification*

The Group classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

## **2. Material accounting policies**

A summary of the material accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

**a) Basis of consolidation**

The financial statements of subsidiary companies and joint venture companies are drawn up to the same reporting date as of the Company for the purpose of consolidation.

*i) Subsidiaries*

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiaries are fully consolidated from the date on which control is acquired by the Group and are continued to be consolidated until the date that such control ceases.

Non-controlling interests (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. A change in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in statement of profit and loss. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets and liabilities of the subsidiary i.e. reclassified to consolidated statement of profit and loss or transferred to equity as specified by applicable Ind AS. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

*ii) Joint ventures*

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

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income (OCI) of the investee in OCI. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, which includes any long term interest that, in substance, form part of Group investment in joint venture, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture. Losses recognized using the equity method in excess of the entity's investment in ordinary shares are applied to the other components of the entity's interest in an associate or a joint venture in the reverse order of their seniority i.e. priority in liquidation.

The statement of profit and loss reflects the Group' share of results of operations of the joint venture. Any change in the OCI of those investee is presented as part of the Group OCI. Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. When necessary, adjustments are made to the financial statements of joint ventures to bring their accounting policies into line with the Group's accounting policies.

The carrying amount of equity accounted as investments are tested for impairment in accordance with the policy described in D.7 below.

When the Group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognized in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amounts previously recognized in OCI in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in OCI are reclassified to profit or loss.



If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognized in OCI are reclassified to profit or loss where appropriate.

**b) Property, plant and equipment**

*i) Initial recognition and measurement*

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Group to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceeds of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

*ii) Subsequent costs*

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Group uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

*iii) De-recognition*

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

*iv) Depreciation/amortization*

Depreciation on the assets of the generation of electricity business covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the assets of the power plants and on the assets of Corporate & other offices of the Company not governed by CERC Tariff Regulations is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013 except for the assets referred below.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutcha roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year
e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years
g) Furniture, Fixture, Office equipment and Communication equipment	5-15 years

Capital spares are depreciated considering the useful life up to 25 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Group and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Refer policy no. C.14 in respect of depreciation/amortization of right-of-use assets other than land and buildings.

**c) Capital work-in-progress**

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

**d) Intangible assets and intangible assets under development**

*i) Initial recognition and measurement*

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

*ii) Subsequent costs*

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

*iii) De-recognition*

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

*iv) Amortization*

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

**e) Borrowing costs**

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– ‘Leases’.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred

The Group can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalisation. However, the Group does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

#### **f) Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average basis.

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

#### **g) Government grants**

Government grants are recognized when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

#### **h) Provisions, contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received

and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

**i) Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities are translated at the closing rate at the date of that balance sheet

Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

All resulting exchange differences are recognized in OCI.

**j) Revenue**

Group's revenues arise from sale of energy, consultancy, project management & supervision services, and other income. Revenue from other income comprises interest from banks, contractors etc., dividend from investments in joint venture & subsidiary companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

*i) Revenue from sale of energy*

A portion of Revenue from sale of energy is accounted for based on tariff rates approved by the CERC. In

such cases, Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Revenue from sale of energy saving certificates/carbon credits is accounted for as and when sold.

*ii) Revenue from services*

Revenue from consultancy, project management and supervision services rendered is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services, which is determined on output method and excludes amounts collected on behalf of third parties. The Group recognizes revenue when the performance obligation is satisfied, which typically occurs when control over the services is transferred to a customer.

Reimbursement of expenses is recognized as other income, as per the terms of the service contracts.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

*iii) Other income*

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that

the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

#### **k) Employee benefits**

The employees of the Group are on secondment from NTPC Limited (the parent company). Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of arrangement with the Parent Company, the Group is required to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Group. Accordingly, these employee benefits are treated as defined contribution schemes.

#### **l) Other expenses**

Expenses on training & recruitment are charged to the Statement of Profit and Loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance/winning of project under tender based competitive bidding system are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

#### **m) Income tax**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

When there is uncertainty regarding income tax treatments, the Group assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best

reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Group evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

#### **n) Leases**

##### **As lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and buildings) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment whether it will exercise an extension or a termination option.

#### **o) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal



and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the ‘cash-generating unit’, or “CGU”).

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

**p) Operating segments**

In accordance with Ind AS 108-‘Operating segments’, the operating segments used to present segment information are identified on the basis of internal reports used by the Group’s management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group’s ‘Chief Operating Decision Maker’ or ‘CODM’ within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

**q) Dividends**

Dividends and interim dividends payable to the Group’s shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

**r) Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

**s) Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

**t) Statement of cash flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-‘Statement of cash flows’.

## **u) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

### *i) Financial assets*

#### **Initial recognition and measurement**

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

#### **Subsequent measurement**

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

##### **Business model assessment**

The Group holds financial assets which arise from its ordinary course of business. The objective of the business model for these financial assets is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

##### **Investment in Equity instruments**

Equity investments in subsidiaries and joint venture companies are accounted at cost less impairment, if any.

The Group reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

##### **De-recognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

### **Impairment of financial assets**

In accordance with Ind AS 109-'Financial instruments', the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Lease receivables under Ind AS 116.
- (c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

For trade receivables and contract assets/unbilled revenue, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

### *ii) Financial liabilities*

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Group's financial liabilities include trade and other payables, borrowings.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process Amortized 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 amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **De-recognition**

A financial liability is derecognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### *iii) Offsetting of financial assets and financial liabilities*

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

#### **v) Non -Current Assets Held for Sale**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered 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 held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

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

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not

met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.14.

### **3. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

#### **a) Formulation of accounting policies**

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

#### **b) Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

#### **c) Recoverable amount of property, plant and equipment and intangible assets**

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

#### **d) Revenues**

The Group records a part of revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

#### **e) Leases not in legal form of lease**

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

#### **f) Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, - 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

**g) Impairment test of investments in Subsidiaries and Joint Venture Companies**

The recoverable amount of investment in subsidiaries and joint venture companies is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Group. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**h) Income taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

**Material Accounting Policy Information for the Special Purpose Carved-Out Combined Financial Statements**

**1. Basis of preparation for and presentation of Special Purpose Carved-Out Combined Financial Statements**

This Special Purpose Carved-Out Combined Financial Statements have been prepared in accordance with the Guidance Note on Combined and Carved-Out Financial Statements (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) to reflect the state of affairs, profit, statement of the changes in equity/owner’s net investment and cash flows of the NTPC RE Group for the respective years, for use in relation to the preparation of the Draft Red Herring Prospectus, Red Herring Prospectus and a Prospectus and any other documents in relation to the IPO (as defined herein after) (together, the “Offer Document”) to be filed by NGEL with the Securities and Exchange Board of India (SEBI), BSE Limited (“BSE”), National Stock Exchange (“NSE”) (together with BSE the “Stock Exchanges”) and Registrar of Companies (RoC), NCT of Delhi and Haryana in connection with the proposed initial public offer of equity shares (“IPO”) of NGEL.

The Special Purpose Carved-Out Combined Financial Statements includes the carved-out business in respect of 15 Solar/Wind units (part of the standalone financial statements of NTPC till February 28, 2023) (the “Carved-Out Business”) which has been combined with the standalone financial statements of NREL for the year ended March 31, 2022 and Consolidated Financial Statements of NGEL for the year ended March 31, 2023 (the Carved-Out Business, NREL and NGEL hereinafter collectively referred to as the “Combining Businesses”) . The details of the Combining Businesses stated above are as follows:

SI No.	Combining Businesses	Description of Activities
	Carved-Out Business - Solar/ Wind Units (Under NTPC till 28.02.23)	
1	Rojmal	Power Generation – Wind
2	Mandsaur	Power Generation – Solar
3	Bhadla	Power Generation – Solar
4	Ananthpur	Power Generation – Solar
5	Rajgarh	Power Generation – Solar
6	Bilhaur-1	Power Generation – Solar
7	Bilhaur-2	Power Generation – Solar
8	Jetsar	Power Generation – Solar
9	Shimbhoo Ka Bhurj-1	Power Generation – Solar
10	Shimbhoo Ka Bhurj-2	Power Generation – Solar

Sl No.	Combining Businesses	Description of Activities
11	Fatehgarh	Power Generation – Solar
12	Devikot-1	Power Generation – Solar
13	Devikot-2	Power Generation – Solar
14	Ettayapuram	Power Generation – Solar
15	Nokhra	Power Generation – Solar
	Subsidiary of NTPC	
16	NREL - Direct Subsidiary of NTPC till 28.02.23 and Subsidiary of NGEL subsequently	Power Generation - non-conventional / renewable energy sources such as wind, and solar or any other non conventional form
17	NGEL w.e.f. 7 April 2022	Power Generation - non-conventional / renewable energy sources such as wind, and solar or any other non conventional form

As per the Guidance Note, the procedure for preparing combined financial statements of the Combining Businesses is the same as that for consolidated financial statements as per the applicable Indian Accounting Standards. The information presented in the Special Purpose Carved-Out Combined Financial Statements may not be representative of the position which has prevailed after the transaction in relation to transfer of RE Assets and investment in NREL. The resulting financial position may not be that which might have existed if the Combining Businesses had been a stand-alone business.

The Special Purpose Carved-Out Combined Financial Statements have been prepared on a going concern basis considering the material accounting policies stated below.

The procedure followed for the preparation of the Special Purpose Carved-Out Combined Financial Statements is as given below:

- (a) The financial information for the NTPC RE Group included in the Special Purpose Carved-Out Combined Financial Statements have been extracted from the audited standalone financial statements of NTPC, NREL and Consolidated Financial Statements of NGEL to the extent considered necessary, for the years ended March 31, 2023 and March 31, 2022 as applicable, which had been prepared basis in accordance Indian Accounting Standards ('Ind AS') notified under the Section 133 of the Companies Act, 2013 ('the Act') and other generally accepted accounting principles in India.
- (b) Since these Special Purpose Carved-Out Combined Financial Statements have been prepared for use in connection with the proposed IPO of NGEL as stated above, the same has been presented based on the latest audited Consolidated Financial Statements of NGEL and has been prepared in accordance with the accounting policies applied therein. Refer Note No.35 for adjustments in this regard.
- (c) The historical costs and expenses reflected in the Special Purpose Carved-Out Combined Financial Statements include an allocation for certain corporate and shared service functions are based on the individual unit level financial statements wherein the same have been allocated either on the basis of actual usage when identifiable or on such other basis which provides a reasonable reflection of the historical utilisation levels of these services.
- (d) In terms of BTA, the following assets and liabilities of the Carve Out Business are excluded from the scope of the business transfer and has accordingly not been included in the Special Purpose Carved-Out Combined Financial Statements.
  - a. Land situated in Bilhaur
  - b. Employee related balances (loans, advances, deferred payroll expenses, employee related payables, remeasurement of defined benefit plans forming part of other equity)
  - c. Tax related balances
- (e) Trade receivables and borrowings including interest accrued relating to the Carve Out Business, which were accounted centrally in the SAP Business Area relating to Corporate Centre of NTPC has been specifically identified and incorporated at their respective year end carrying values in the financial

information included in the Special Purpose Carved-Out Combined Financial Statements, with corresponding adjustment in the Owner's Net Investment. The borrowings do not form part of liabilities that have been transferred.

- (f) Approval for assignment/novation of right-of-use land pertaining to Rojmal project and Jetsar project (part of the Carved-Out Business) is yet to be consented by the lessor, pending which the carrying value of right-of-use land net of the corresponding lease liabilities pertaining to Rojmal project and Jetsar project have been included under other non-current assets post transfer of RE assets pursuant to the BTA and presented accordingly in the Special Purpose Carved-Out Combined Financial Statements.
- (g) Deferred Tax liability in respect of the Carved-Out Business has been determined considering the applicability of various provisions of the Income Tax Act and having regard to the expert opinion obtained in this regard, which has been appropriately recognised in the Special Purpose Carved-Out Combined Financial Statements, with corresponding adjustment in the Owner's Net Investment.
- (h) Since these statements have been prepared on carve out combined basis, it is not meaningful to show a share capital or provide an analysis of reserves for the period prior to the date of incorporation of NGEL. Other Equity (representing owner's investment) disclosed in the Special Purpose Carved-Out Combined Financial Statements therefore represents the difference between the assets and liabilities pertaining to the NTPC RE Group, duly adjusted for the balances carried in reserves and surplus. The balance in reserves and surplus represents retained earnings pertaining to the Combining Businesses which has been determined based on the closing balances as of March 31, 2021 duly adjusted for the profit including other comprehensive income for the respective financial year.
- (i) The equity share capital of NGEL as at March, 31, 2023 is ₹ 47196.11 million represented by 471,96,11,035 shares of par value ₹ 10/- each which were allotted to NTPC in the month of March 2023. Since the Statement of Profit & Loss presents the operating results for the entire financial year, it is not practical to determine and disclose the earnings per share in the Special Purpose Carved-Out Combined Financial Statements.
- (j) For the limited purpose of preparation of the Statement of Cash Flows for the year ended March 31, 2022, a Carved Out Combined Balance Sheet as at March 31, 2021 has been prepared by the management based on information extracted from the audited financials of respective entities.

Management believes the assumptions underlying the Special Purpose Carved-Out Combined Financial Statements including the assumptions regarding the allocation of general corporate expenses, are reasonable. Nevertheless, the Special Purpose Carved-Out Combined Financial Statements may not include all of the actual expenses that would have been incurred had it been operated as a standalone company during the periods presented and may not reflect the combined results of operations, financial position and cash flows had it operated as a standalone company during the periods presented, since the actual costs that would have been incurred if it had been operated as a standalone company would depend on multiple factors, including organisational structure and strategic decisions made in various areas, including information technology and infrastructure and other additional costs.

Events occurring after the date of approval of the financial statements of NTPC, NGEL and NREL for the respective years, if any, have not been adjusted in the Special Purpose Carved-Out Combined Financial Statements.

These carved out combined financials have been prepared on a carved out basis to present the assets and liabilities of the NTPC RE Group at these dates, as if the Group had been in existence as at these dates. As a result, these financial statements may not be suitable for any other purpose.

*i) Basis of measurement*

The carved out combined financial statements have been prepared on historical cost basis except for:



- Certain financial assets and liabilities that are measured at fair value (refer serial no. C.21 of accounting policy regarding financial instruments).

The methods used to measure fair values are discussed in notes to the financial statements.

*ii) Functional and presentation currency*

These carved out combined financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest million (upto two decimals), except when indicated otherwise.

*iii) Current and non-current classification*

The Group classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

*iv) Approval of these financial statements*

The Special Purpose Carved-Out Combined Financial Statements of the NTPC RE Group were approved for issue by the Board of Directors of NTPC in its meeting held on 29 August 2024, on which an audit report dated 29 August 2024 has been issued. Subsequently, these financial statements has been approved by the Board of Directors of NGEL on 7 September, 2024 for use in relation to the preparation of Offer Document to be filed by NGEL with the SEBI, the Stock Exchanges and RoC NCT of Delhi and Haryana in connection with the proposed IPO of its equity shares.

## **2. Material accounting policies**

A summary of the material accounting policies applied in the preparation of the carved out combined financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the carved out combined financial statements.

### **a) Basis of consolidation**

The carved out combined financial statements of the NTPC RE Group have been prepared by applying the Guidance note referred above. While applying the above guidance, financial statements / information of the entities have been combined on the following basis:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the combining businesses;
- Inter-company transactions, balances and unrealised gains/losses on transactions between the entities in the group are eliminated;
- Disclose non-controlling interest where 100% shares are not held.

Carved Out Combined financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

### **b) Property, plant and equipment**

*i) Initial recognition and measurement*

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized as expense in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Group to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

Excess of net sale proceeds of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

*ii) Subsequent costs*

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Group uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

*iii) De-recognition*

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

*iv) Depreciation/amortization*

Depreciation on the assets of the generation of electricity business covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the assets of the power plants and on the assets of Corporate & other offices of the Company not governed by CERC Tariff Regulations is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013 except for the assets referred below.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

a) Kutcha roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year
e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years
g) Furniture, Fixture, Office equipment and Communication equipment	5-15 years

Capital spares are depreciated considering the useful life up to 25 years based on technical assessment.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/sale, disposal or earmarked for disposal.

Where it is probable that future economic benefits deriving from the expenditure incurred will flow to the Group and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business governed by CERC Tariff Regulations, are reviewed at each financial year end and adjusted prospectively, wherever required.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognized.

Refer policy no. C.14 in respect of depreciation/amortization of right-of-use assets other than land and buildings.

### c) **Capital work-in-progress**

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying asset.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

#### **d) Intangible assets and intangible assets under development**

##### *i) Initial recognition and measurement*

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

##### *ii) Subsequent costs*

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

##### *iii) De-recognition*

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

##### *iv) Amortization*

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end and adjusted prospectively, wherever required.

#### **e) Borrowing costs**

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– ‘Leases’.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred

The Group can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and is not eligible for capitalisation. However, the Group does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

**f) Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average basis.

Non-moving items of stores and spares are reviewed and diminution in the value of obsolete, unserviceable, surplus spares is ascertained and provided for.

**g) Government grants**

Government grants are recognized when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

**h) Provisions, contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous

contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

**i) Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the functional currency spot rates of exchange prevailing on that date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in OCI.

**j) Revenue**

Group's revenues arise from sale of energy, consultancy, project management & supervision services, and other income. Revenue from other income comprises interest from banks, contractors etc., dividend from investments in joint venture & subsidiary companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

*i) Revenue from sale of energy*

A portion of Revenue from sale of energy is accounted for based on tariff rates approved by the CERC. In such cases, Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Revenue from sale of energy saving certificates/carbon credits is accounted for as and when sold.

*ii) Revenue from services*

Revenue from consultancy, project management and supervision services rendered is measured based on the

consideration that is specified in a contract with a customer or is expected to be received in exchange for the services, which is determined on output method and excludes amounts collected on behalf of third parties. The Group recognizes revenue when the performance obligation is satisfied, which typically occurs when control over the services is transferred to a customer.

Reimbursement of expenses is recognized as other income, as per the terms of the service contracts.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

### *iii) Other income*

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to contractors and suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

### **k) Employee benefits**

The employees of the Group are on secondment from NTPC Limited (the parent company). Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of arrangement with the Parent Company, the Group is required to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Group. Accordingly, these employee benefits are treated as defined contribution schemes.

### **l) Other expenses**

Expenses on training & recruitment are charged to the Statement of Profit and Loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance/winning of project under tender based competitive bidding system are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

### **m) Income tax**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

When there is uncertainty regarding income tax treatments, the Group assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Group evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

### **n) Leases**

#### **As lessee**

The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease



term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets (other than land and buildings) are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses and adjusted for any reassessment of lease liabilities

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs of disposal and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. In calculating the present value, lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment whether it will exercise an extension or a termination option.

**o) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit', or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized.

**p) Operating segments**

In accordance with Ind AS 108-'Operating segments', the operating segments used to present segment information are identified on the basis of internal reports used by the Group's management to allocate

resources to the segments and assess their performance. The Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

**q) Dividends**

Dividends and interim dividends payable to the Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

**r) Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

**s) Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

**t) Statement of cash flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-'Statement of cash flows'.

**u) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

*i) Financial assets*

**Initial recognition and measurement**

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

**Subsequent measurement**

**Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Business model assessment**

The Group holds financial assets which arise from its ordinary course of business. The objective of the business model for these financial assets is to collect the amounts due from the Group's receivables and to earn contractual interest income on the amounts collected.

### **Investment in Equity instruments**

Equity investments in subsidiaries and joint venture companies are accounted at cost less impairment, if any. The Group reviews the carrying value of investments at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated. If the recoverable amount is less than the carrying amount, the impairment loss is recognized in the statement of profit and loss.

### **De-recognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

### **Impairment of financial assets**

In accordance with Ind AS 109-'Financial instruments', the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Lease receivables under Ind AS 116.
- (c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

For trade receivables and contract assets/unbilled revenue, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure (other than purchased or originated credit impaired financial assets), the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL

is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

i) *Financial liabilities*

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Group's financial liabilities include trade and other payables, borrowings.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity on disposal. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

**De-recognition**

A financial liability is derecognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

ii) *Offsetting of financial assets and financial liabilities*

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

v) **Non -Current Assets Held for Sale**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered 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 held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

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

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of 'non-current assets held for sale' as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy no. C.14.

### **3. Use of estimates and management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, revenue, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

a) **Formulation of accounting policies**

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) **Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

**c) Recoverable amount of property, plant and equipment and intangible assets**

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**d) Revenues**

The Group records a part of revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

**e) Leases not in legal form of lease**

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.

**f) Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37,- 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events require best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

**g) Impairment test of investments in Subsidiaries and Joint Venture Companies**

The recoverable amount of investment in subsidiaries and joint venture companies is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Group. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**h) Income taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid/recovered for uncertain tax positions.

**Changes in the accounting policies, if any, in the six months ended September 30, 2024 and September 30,2023, and Fiscals 2024 and 2023 and their effect on our profits and reserves**

During Fiscal 2024, the accounting of scrap has been modified. Now, scrap generated out of any activity, whether steel scrap or otherwise, shall not be valued. On actual disposal of scrap through sale, the proceeds shall be recognized in Income from Sale of Scrap/Surplus. Gain on sale of scrap generated out of PPE to be recognized to Gain on sale of assets account, as is being done now. Impact on profit due to the above change is not material.

**Overview of Income and Expenditure**

The following descriptions set forth information with respect to key components of our profit and loss statement.

## Income

Income consists of revenue from operations and other income.

### Revenue from operations

Revenue from operations comprises (i) revenue from energy sales; (ii) consultancy, project management and supervision fee; and (ii) other operating revenues. Other operating revenues is comprised of revenue recognized from Government grants.

### Based on the Restated Consolidated Financial Information

Set forth below is a breakdown of our revenue from operations for the periods/Fiscals indicated as per the Restated Consolidated Financial Information.

Particulars	For the six months ended September 30,			
	2024		2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Revenue from operations</b>				
Energy sales	10,328.22	95.43%	9,769.26	96.89%
Consultancy, project management and supervision fee	140.42	1.30%	-	0.00%
<b>Revenue from energy sales and services</b>	<b>10,468.64</b>	<b>96.73%</b>	<b>9,769.26</b>	<b>96.89%</b>
Other operating revenues				
Recognized from Government grants	327.79	3.03%	313.95	3.11%
Interest from Beneficiaries	26.48	0.24%	-	0.00%
<b>Other operating revenues</b>	<b>354.27</b>	<b>3.27%</b>	<b>313.95</b>	<b>3.11%</b>
<b>Revenue from operations</b>	<b>10,822.91</b>	<b>100%</b>	<b>10,083.21</b>	<b>100%</b>

Particulars	Fiscal 2024		Fiscal 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Revenue from operations</b>				
Energy sales	18,874.56	96.17%	1,647.13	97.07%
Consultancy, project management and supervision fee	100.47	0.51%	-	0.00%
<b>Revenue from energy sales and services</b>	<b>18,975.03</b>	<b>96.68%</b>	<b>1,647.13</b>	<b>97.07%</b>
Other operating revenues				
Recognized from Government grants	650.95	3.32%	49.77	2.93%
Interest from Beneficiaries	-	-	-	-
<b>Other operating revenues</b>	<b>650.95</b>	<b>3.32%</b>	<b>49.77</b>	<b>2.93%</b>
<b>Revenue from operations</b>	<b>19,625.98</b>	<b>100</b>	<b>1,696.90</b>	<b>100</b>

For management's purposes, our Company's business predominantly operates in one segment i.e. Generation of Electricity. As on date, the Company has no other reportable segment. See "Restated Consolidated Financial Information – Note 42 – Disclosure as per Ind AS 108 'Operating Segments'" on page 342.

Based on our Special Purpose Carved-Out Combined Financial Statements

Set forth below is a breakdown of our revenue from operations for Fiscal 2023 and Fiscal 2022 indicated on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements.

Particulars	Fiscal 2023 <sup>(1)</sup>		Fiscal 2022 <sup>(1)</sup>	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Revenue from operations</b>				
Energy sales	14,053.11	96.94%	8,848.36	97.19%
Consultancy, project management and supervision fee	0.00	0.00%	0.00	0.00%
Revenue from energy sales and services	14,053.11	96.94%	8,848.36	97.19%
Other operating revenues				
Recognized from Government grants	443.98	3.06%	255.85	2.81%
<b>Other operating revenues</b>	443.98	3.06%	255.85	2.81%
<b>Revenue from operations</b>	14,497.09	100.00%	9,104.21	100.00%

Notes:

<sup>(1)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

#### Other income

Other income primarily comprises interest income, LD recovered and late payment surcharges from beneficiaries, amongst others.

#### Expenditure

Our expenses comprise the following:

- a) Employee benefit expense: Employee benefit expense comprises salaries and wages, contribution to provident and other funds, and staff welfare expenses.
- b) Finance costs: Finance costs comprises interest expenses on financial liabilities measured at amortized cost (i.e., term loans and unwinding of discount on vendor lease liabilities), interest to others and other borrowing costs.
- c) Depreciation and amortization expense: Depreciation and amortization expense comprises depreciation on property, plant and equipment.
- d) Other expenses: Other expenses comprise primarily of power charges, repairs and maintenance, rates and taxes, insurance, tender expenses, professional charges and consultancy fee, and miscellaneous expenses. Set forth below is a description of these key components:
  - (i) Power charges relate to electricity sourced from the State Distribution Companies (DISCOMs) charged at the prevailing rates;
  - (ii) Repairs and maintenance relate to costs incurred towards the repair and maintenance of our plant and equipment and buildings;
  - (iii) Rates and taxes primarily relate to amounts paid to various statutory agencies and authorities under various statutes;
  - (iv) Tender expenses primarily relate to expenses incurred towards tender fees in various TBCB bids;



- (v) Professional charges and consultancy fees; and
- (vi) Other expenses comprise traveling expenses, net loss/(gain) in foreign currency transactions & translations, bank charges, and hiring of vehicles, amongst others.

*Based on the Restated Consolidated Financial Information*

Set forth below is a breakdown of our total expenses as a percentage of our revenue from operations for the periods/Fiscals indicated as per the Restated Consolidated Financial Information.

Particulars	For the six months ended September 30,			
	2024		2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Expenses</b>				
Employee benefits expense	306.60	2.83%	159.16	1.58%
Finance costs	3,778.15	34.91%	3,356.89	33.29%
Depreciation and amortization expenses	3,578.28	33.06%	3,109.37	30.84%
Other expenses	1,186.91	10.97%	777.95	7.72%
<b>Total expenses</b>	<b>8,849.94</b>	<b>81.77%</b>	<b>7,403.37</b>	<b>73.42%</b>

Particulars	Fiscal 2024		Fiscal 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Expenses</b>				
Employee benefits expense	370.14	1.89%	28.07	1.65%
Finance costs	6,905.73	35.19%	498.72	29.39%
Depreciation and amortization expenses	6,427.58	32.75%	499.06	29.41%
Other expenses	1,791.12	9.13%	155.02	9.14%
<b>Total expenses</b>	<b>15,494.57</b>	<b>78.95%</b>	<b>1,180.87</b>	<b>69.59%</b>

*Based on our Special Purpose Carved-Out Combined Financial Statements*

Set forth below is a breakdown of our total expenses as a percentage of our revenue from operations for Fiscal 2023 and Fiscal 2022 indicated on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements.

Particulars	Fiscal 2023 <sup>(1)</sup>		Fiscal 2022 <sup>(1)</sup>	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹million)	(%)	(₹million)	(%)
<b>Expenses</b>				
Employee benefits expense	129.10	0.89%	76.80	0.84%
Finance costs	4,700.64	32.42%	2,530.49	27.79%
Depreciation and amortization expenses	4,564.83	31.49%	2,827.62	31.06%
Other expenses	1,271.83	8.77%	1,078.53	11.85%
<b>Total expenses</b>	<b>10,666.40</b>	<b>73.58%</b>	<b>6,513.44</b>	<b>71.54%</b>

Notes:

<sup>(1)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Tax Expense

Our tax expense represents the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by income tax payable for earlier years and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Total tax expense for Fiscal 2023, Fiscal 2024 and the six-month periods ended September 30, 2023 and September 30, 2024, amounted to ₹(1,186.84) million, ₹1,434.77 million, ₹726.38 million and ₹710.70 million, respectively, as per the Restated Consolidated Financial Information.

Total tax expense for Fiscal 2022 and Fiscal 2023 on a carved-out basis amounted to ₹1,721.57 million and ₹(656.01) million, respectively, as per the Special Purpose Carved-Out Combined Financial Statements.

Deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled or the asset realized. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 utilized. Deferred tax is reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain, as the case may be, to be realized.

### Operating Segment

Our Company is exclusively engaged in the business of developing, owning and operating a diversified portfolio of renewable energy power plants in India. As such, in accordance with Ind AS, our Company’s business is considered to constitute one reportable segment.

### Results of operations information based on the Restated Consolidated Financial Information

Set forth below is certain select financial information based on the Restated Consolidated Financial Information for the six-month periods ended September 30, 2024 and September 30, 2023, Fiscal 2024 and Fiscal 2023, the components of which are also expressed as a percentage of our total income for the periods/years indicated.

Particulars	For the six months ended September 30,			
	2024		2023	
	Amount	Percentage of total income	Amount	Percentage of total income
	(₹million)	(%)	(₹million)	(%)
<b>Revenue</b>				
Revenue from operations	10,822.91	95.55%	10,083.21	98.74%
Other income	504.48	4.45%	128.16	1.26%
<b>Total income</b>	<b>11,327.39</b>	<b>100.00%</b>	<b>10,211.37</b>	<b>100.00%</b>
<b>Expenses</b>				

Employee benefits expense	306.60	2.71%	159.16	1.56%
Finance costs	3,778.15	33.35%	3,356.89	32.87%
Depreciation and amortization expenses	3,578.28	31.59%	3,109.37	30.45%
Other expenses	1,186.91	10.48%	777.95	7.62%
<b>Total expenses</b>	<b>8,849.94</b>	<b>78.13%</b>	<b>7,403.37</b>	<b>72.50%</b>
<b>Profit before share of profits of joint ventures accounted for using equity method</b>	<b>2,477.45</b>	<b>21.87%</b>	<b>2,808.00</b>	<b>27.50%</b>
<b>Add: Share of profits of joint ventures accounted for using equity method</b>	<b>(13.75)</b>	<b>(0.12)%</b>	<b>-</b>	<b>-</b>
<b>Profit before tax</b>	<b>2,463.70</b>	<b>21.75%</b>	<b>2,808.00</b>	<b>27.50%</b>
<b>Tax Expense</b>				
Current tax	-	-	0.08	0.00%
Deferred tax	710.70	6.27%	726.30	7.11%
<b>Total tax expense</b>	<b>710.70</b>	<b>6.27%</b>	<b>726.38</b>	<b>7.11%</b>
<b>Profit for the period/year</b>	<b>1,753.00</b>	<b>15.48%</b>	<b>2,081.62</b>	<b>20.39%</b>
<b>Total Other comprehensive income for the period/year (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Period/Year</b>	<b>1,753.00</b>	<b>15.48%</b>	<b>2,081.62</b>	<b>20.39%</b>

Notes:

(1) Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023.. See "Restated Consolidated Financial Information" on page 282.

Particulars	Fiscal 2024		Fiscal 2023	
	Amount	Percentage of total income	Amount	Percentage of total income
	(₹million)	(%)	(₹million)	(%)
<b>Revenue</b>				
Revenue from operations	19,625.98	96.32%	1,696.90	99.45%
Other income	750.59	3.68%	9.41	0.55%
<b>Total income</b>	<b>20,376.57</b>	<b>100.00%</b>	<b>1,706.31</b>	<b>100.00%</b>
<b>Expenses</b>				
Employee benefits expense	370.14	1.82%	28.07	1.65%
Finance costs	6,905.73	33.89%	498.72	29.23%
Depreciation and amortization expenses	6,427.58	31.54%	499.06	29.25%
Other expenses	1,791.12	8.79%	155.02	9.09%
<b>Total expenses</b>	<b>15,494.57</b>	<b>76.04%</b>	<b>1,180.87</b>	<b>69.21%</b>
<b>Profit before share of profits of joint ventures accounted for using equity method</b>	<b>4,882.00</b>	<b>23.96%</b>	<b>525.44</b>	<b>30.79%</b>
<b>Add: Share of profits of joint ventures accounted for using equity method</b>	<b>(0.02)</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>
<b>Profit before tax</b>	<b>4,881.98</b>	<b>23.96%</b>	<b>525.44</b>	<b>30.79%</b>
<b>Tax Expense</b>				
Current tax	0.07	0.00%	0.06	0.00%
Deferred tax	1,434.70	7.04%	(1,186.90)	-69.56%

Particulars	Fiscal 2024		Fiscal 2023	
	Amount	Percentage of total income	Amount	Percentage of total income
	(₹million)	(%)	(₹million)	(%)
<b>Total tax expense</b>	<b>1,434.77</b>	<b>7.04%</b>	<b>(1,186.84)</b>	<b>-69.56%</b>
<b>Profit for the period/year</b>	<b>3,447.21</b>	<b>16.92%</b>	<b>1,712.28</b>	<b>100.35%</b>
<b>Total Other comprehensive income for the period/year (net of tax)</b>	-	-	-	-
<b>Total Comprehensive Income for the Period/Year</b>	<b>3,447.21</b>	<b>16.92%</b>	<b>1,712.28</b>	<b>100.35%</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for the Fiscal 2024 and Fiscal 2023. See “Restated Consolidated Financial Information” on page 282.

### Results of operations information based on the Special Purpose Carved-Out Combined Financial Statements

Set forth below is certain select financial information based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of our total income for the Fiscals indicated.

Particulars	Fiscal 2023 <sup>(1)</sup>		Fiscal 2022 <sup>(1)</sup>	
	Amount	Percentage of total income	Amount	Percentage of total income
	(₹million)	(%)	(₹million)	(%)
<b>Revenue</b>				
Revenue from operations	14,497.09	99.46%	9,104.21	99.15%
Other income	78.18	0.54%	78.22	0.85%
<b>Total income</b>	<b>14,575.27</b>	<b>100.00%</b>	<b>9,182.43</b>	<b>100.00%</b>
<b>Expenses</b>				
Employee benefits expense	129.10	0.89%	76.80	0.84%
Finance costs	4,700.64	32.25%	2,530.49	27.56%
Depreciation and amortization expenses	4,564.83	31.32%	2,827.62	30.79%
Other expenses	1,271.83	8.73%	1,078.53	11.75%
<b>Total expenses</b>	<b>10,666.40</b>	<b>73.18%</b>	<b>6,513.44</b>	<b>70.93%</b>
<b>Profit before tax</b>	<b>3,908.87</b>	<b>26.82%</b>	<b>2,668.99</b>	<b>29.07%</b>
<b>Tax Expense</b>				
Current tax	0.06	0.00%	0.38	0.00%
Deferred tax	(656.07)	-4.50%	1,721.19	18.74%
Total tax expense	(656.01)	-4.50%	1,721.57	18.75%
<b>Profit for the year</b>	<b>4,564.88</b>	<b>31.32%</b>	<b>947.42</b>	<b>10.32%</b>
<b>Total other comprehensive income for the year (net of tax)</b>	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>4,564.88</b>	<b>31.32%</b>	<b>947.42</b>	<b>10.32%</b>

Notes:

<sup>(1)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

***Results of operations for the six months ended September 30, 2024 compared with the six months ended September 30, 2023 based on the Restated Consolidated Financial Information***

***Total Income***

Our total income increased by 10.93% from ₹10,211.37 million for the six months ended September 30, 2023 to ₹11,327.39 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information, comprising revenue from operations and other income.

***Revenue from Operations***

Our revenue from operations increased by 7.34% from ₹10,083.21 million for the six months ended September 30, 2023 to ₹10,822.91 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information, primarily due to a 5.72% increase in energy sales from ₹9,769.26 million in the six months ended September 30, 2023 to ₹10,328.22 million in the six months ended September 30, 2024.

Our other operating revenue increased by 12.84% from ₹313.95 million for the six months ended September 30, 2023 to ₹354.27 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information, mainly due to increase in government grants received in connection with MNRE scheme for setting up solar PV power projects and interest from beneficiaries received in connection with revision of tariff due to change in law and increase in interest from beneficiaries.

***Other Income***

Our other income increased by 293.63% from ₹128.16 million for the six months ended September 30 2023 to ₹504.48 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information. Our other income for the six months ended September 30, 2024 primarily consists of a net gain in foreign currency transactions & translations of ₹92.98 million, late payment surcharge from beneficiaries of ₹113.88 million, LD recovered of ₹68.13 million and interest income from deposits with banks of ₹160.89 million and from advances to contractors and suppliers of ₹71.76 million. Our other income for the six months ended September 30, 2023 primarily consists of late payment surcharge from beneficiaries of ₹27.68 million, interest income from deposits with banks of ₹48.23 million and from advances to contractors and suppliers of ₹60.97 million.

***Expenses***

***Employee benefits expense***

Our employee benefits expense increased by 92.64% from ₹159.16 million for the six months ended September 30, 2023 to ₹306.60 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information. This increase was primarily due to an 39.82% increase in salaries and wages expenses from ₹268.62 million for the six months ended September 30, 2023 to ₹375.59 million for the six months ended September 30, 2024, primarily due to increase in number of employees as a result of our new capacity addition.

***Finance costs***

Our finance costs increased by 12.55% from ₹3,356.89 million for the six months ended September 30, 2023 to ₹3,778.15 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information. This increase was primarily due to an 18.06% increase in finance costs on Rupee term loans from ₹3,160.71 million for the six months ended September 30, 2023 to ₹3,731.54 million for the six months ended September 30, 2024. As a percentage of total income, our finance costs remained stable at approximately 32.87% and 33.35% for the six months ended September 30, 2023 and September 30, 2024, respectively.

***Depreciation and amortization expense***

Our depreciation and amortization expense increased by 15.08% from ₹3,109.37 million for the six months ended September 30, 2023 to ₹3,578.28 million for the six months ended September 30, 2024, as per the Restated

Consolidated Financial Information, in line with our new capacity addition. As a percentage of total income, our depreciation and amortization expense remained stable at approximately 30.45% and 31.59% for the six months ended September 30, 2023 and September 30, 2024, respectively.

#### *Other expenses*

Our other expense increased by 52.57% from ₹777.95 million for the six months ended September 30, 2023 to ₹1,186.91 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information. In the six months ended September 30, 2024, our other expenses (before transfer to EDC) primarily comprised of (i) ₹727.18 million in repairs and maintenance, (ii) ₹591.84 million in rates and taxes, (iii) ₹77.76 million in tender expense, (iv) ₹59.28 million in insurance expenses, and (v) ₹56.38 million in professional charges and consultancy fee. In the six months ended September 30, 2023, our other expenses (before transfer to EDC) primarily comprised of (i) ₹509.35 million in repairs and maintenance, (ii) ₹214.41 million in rates and taxes, (iii) ₹81.59 million in power charges, (iv) ₹63.95 million in insurance expenses, and (v) ₹63.42 million in tender expenses.

#### *Profit before tax*

As a result of the foregoing, our profit before tax decreased by 12.26% from ₹2,808.00 million for the six months ended September 30, 2023 to ₹2,463.70 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information.

#### *Tax expense*

Our tax expense decreased by 2.16% from ₹726.38 million for the six months ended September 30, 2023 to ₹710.70 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information.

#### *Profit for the period*

As a result of the foregoing, our profit for the period decreased by 15.79% from ₹2,081.62 million for the six months ended September 30, 2023 to ₹1,753.00 million for the six months ended September 30, 2024, as per the Restated Consolidated Financial Information.

#### *Total Comprehensive Income for the period*

As a result of the foregoing, our total comprehensive income for the period decreased by 15.79% from ₹2,081.62 million for the six months ended September 30, 2023 to ₹1,753.00 million for the months ended September 30, 2024, as per the Restated Consolidated Financial Information.

### ***Results of operations for Fiscal 2024 compared with Fiscal 2023 based on the Restated Consolidated Financial Information***

(₹ in millions, except percentages)

Particulars	For the year ended March 31,		Change (%)
	2024	2023	
Revenue from operations	19,625.98	1,696.90	1,056.58%
Other income	750.59	9.41	7,876.51%
<b>Total income</b>	<b>20,376.57</b>	<b>1,706.31</b>	<b>1,094.19%</b>
<b>Expenses</b>			
Employee benefits expense	370.14	28.07	1,218.63%
Finance costs	6,905.73	498.72	1,284.69%
Depreciation and amortization expense	6,427.58	499.06	1,187.94%
Other expenses	1,791.12	155.02	1,055.41%
<b>Total expenses</b>	<b>15,494.57</b>	<b>1,180.87</b>	<b>1,212.13%</b>

Particulars	For the year ended March 31,		Change (%)
	2024	2023	
<b>Profit before share of profits of joint ventures accounted for using equity method</b>	4,882.00	525.44	829.13%
Add: Share of profits of joint ventures accounted for using equity method	(0.02)	-	N/A
<b>Profit before tax</b>	4,881.98	525.44	829.12%
<b>Tax expense:</b>			
Current tax	0.07	0.06	16.67%
Deferred tax	1,434.70	(1,186.90)	(220.88)%
<b>Total tax expense</b>	1,434.77	(1,186.84)	(220.89)%
<b>Profit for the year</b>	3,447.21	1,712.28	101.32%
<b>Total other comprehensive income / (loss) for the year (net of tax)</b>			
<b>Total Comprehensive Income for the Year</b>	<b>3,447.21</b>	<b>1,712.28</b>	<b>101.32%</b>

Our Company completed the Business Transfer and the NREL Transfer on February 28, 2023, which comprised the bulk of operational assets and liabilities of the Company in Fiscal 2024. Thus, our results of operations for Fiscal 2023 do not include the profit and loss and cashflows attributable to the operations of the RE Assets prior to its acquisition on February 28, 2023. Accordingly, our results of operations as set forth in our Restated Consolidated Financial Information are not comparable from Fiscal 2023 to Fiscal 2024 and does not fully reflect the financial performance of Company, the RE Assets and NREL on a combined basis, save for the Group's consolidated balance sheet as at March 31, 2023.

### ***Total Income***

Our total income increased by 1,094.19% from ₹1,706.31 million for Fiscal 2023 to ₹20,376.57 million for Fiscal 2024 as per the Restated Consolidated Financial Information. In Fiscal 2024 and Fiscal 2023, our revenue from operations constituted 96.32% and 99.45% of our total income, respectively.

### ***Revenue from Operations***

Our revenue from operations increased by 1,056.58% from ₹1,696.90 million in Fiscal 2023 to ₹19,625.98 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the acquisition of the RE Assets and NREL near the end of Fiscal 2023.

- Revenue from energy sales was ₹18,874.56 million and ₹1,647.13 million in Fiscal 2024 and Fiscal 2023, respectively; and
- Revenue from consultancy, project management and supervision fee was ₹100.47 million in Fiscal 2024. We did not earn such revenue in Fiscal 2023.

Our other operating revenues were ₹650.95 million and ₹49.77 million in Fiscal 2024 and Fiscal 2023, respectively.

### ***Other Income***

Our other income increased by 7,876.51% from ₹9.41 million in Fiscal 2023 to ₹750.59 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the acquisition of the RE Assets and NREL near the end of Fiscal 2023. Other income in Fiscal 2024 was comprised of interest income of ₹424.62 million, which net off EDC comprised of interest from deposits with banks of ₹300.60 million and interest from advance to contractors and suppliers of ₹124.02 million, and other non-operating income of ₹325.97 million, which principally comprised of miscellaneous income of ₹169.89 million and late payment surcharge from beneficiaries of ₹156.08 million. Other income in Fiscal 2023 net off EDC comprised of interest from deposits with banks of ₹0.31 million and from advance to contractors and suppliers of ₹8.75 million.

## **Expenses**

### *Employee benefits expense*

Our employee benefits expense increased by 1,218.63% from ₹28.07 million in Fiscal 2023 to ₹370.14 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the acquisition of the RE Assets and NREL near the end of Fiscal 2023. Employee benefits expense in Fiscal 2024 comprised of salaries and wages of ₹594.48 million, contribution to provident and other funds of ₹128.22 million and staff welfare expenses of ₹49.38 million, excluding amounts transferred to expenditure during construction & reimbursement for employees on deputation/secondment in the amount of ₹401.94 million. Employee benefits expense in Fiscal 2023 comprised of salaries and wages of ₹243.24 million, contribution to provident and other funds of ₹63.84 million and staff welfare expenses of ₹25.27 million, excluding amounts transferred to expenditure during construction in the amount of ₹304.28 million.

### *Finance costs*

Our finance costs increased by 1,284.69% from ₹498.72 million in Fiscal 2023 to ₹6,905.73 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the acquisition of the RE Assets and NREL near the end of Fiscal 2023. In Fiscal 2024, our finance costs principally comprised of interest paid on term loans of ₹7,767.05 million, unwinding of discount on vendor liabilities of ₹504.70 million, other interest & borrowing cost amounting to ₹162.73 million (excluding amount transferred to expenditure during construction in the amount of ₹1,528.75 million). In Fiscal 2023, our finance costs principally comprised of interest paid on term loans of ₹136.80 million, unwinding of discount on vendor lease liabilities of ₹263.08 million and other interest & borrowing cost of ₹493.70 million excluding amount transferred to expenditure during construction ₹394.86 million. Our term loans are utilized mainly for the purposes of setting up of new renewable generation capacities.

### *Depreciation and amortization expense*

Our depreciation and amortization expense increased by 1,187.94% from ₹499.06 million in Fiscal 2023 to ₹6,427.58 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the depreciation impact of property, plant and equipment acquired from the RE Assets and the acquisition of NREL.

### *Other expenses*

Our other expenses increased by 1,055.41% from ₹155.02 million in Fiscal 2023 to ₹1,791.12 million in Fiscal 2024 as per the Restated Consolidated Financial Information, which was primarily due to the acquisition of the RE Assets and NREL near the end of Fiscal 2023. In Fiscal 2024, our other expenses (before transfer to EDC) primarily comprised of (i) ₹1,180.84 million in repairs and maintenance, (ii) ₹384.19 million in rates and taxes, (iii) ₹128.82 million in insurance, (iv) ₹120.11 million in tender expenses, and (v) ₹89.24 million in net loss/(gain) in foreign currency transactions & translations. In Fiscal 2023, our other expenses (before transfer to EDC) primarily comprised of (i) ₹456.32 million in rates and taxes, (ii) ₹91.83 million in repairs and maintenance, (iii) ₹74.52 million in tender expenses, and (iv) ₹37.05 million in professional charges and consultancy fee.

### *Profit before tax*

As a result of the foregoing, our profit before tax increased by 829.12% from ₹525.44 million in Fiscal 2023 to ₹4,881.98 million in Fiscal 2024 as per the Restated Consolidated Financial Information.

### *Tax expense*

Our total tax expense increased from ₹(1,186.84) million in Fiscal 2023 to ₹1,434.77 million in Fiscal 2024 as per the Restated Consolidated Financial Information. Substantially all of the tax expense in Fiscal 2024 comprised of a deferred tax of ₹1,434.70 million on account of difference in book depreciation & tax depreciation which is partly offset by deferred tax assets on account of unabsorbed depreciation. In Fiscal 2023, we had a tax credit of ₹1,186.90 million due to recognition of deferred tax asset on account of unabsorbed depreciation.



### Profit for the year

As a result of the foregoing, our profit for the year increased by 101.32% from ₹1,712.28 million in Fiscal 2023 to ₹3,447.21 million in Fiscal 2024 as per the Restated Consolidated Financial Information.

### Total Comprehensive Income for the year

As a result of the foregoing, our total comprehensive income for the year increased by 101.32% from ₹1,712.28 million in Fiscal 2023 to ₹3,447.21 million in Fiscal 2024 as per the Restated Consolidated Financial Information.

### Results of operations for Fiscal 2024 based on the Restated Consolidated Financial Information compared with Fiscal 2023 based on the Special Purpose Carved-Out Combined Financial Statements

(₹ in millions, except percentages)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>	Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	Change (%)
	For the year ended March 31, 2024	For the year ended March 31, 2023	
Revenue from operations	19,625.98	14,497.09	35.38%
Other income	750.59	78.18	860.08%
<b>Total income</b>	<b>20,376.57</b>	<b>14,575.27</b>	<b>39.80%</b>
<b>Expenses</b>			
Employee benefits expense	370.14	129.10	186.71%
Finance costs	6,905.73	4,700.64	46.91%
Depreciation and amortization expense	6,427.58	4,564.83	40.81%
Other expenses	1,791.12	1,271.83	40.83%
<b>Total expenses</b>	<b>15,494.57</b>	<b>10,666.40</b>	<b>45.27%</b>
<b>Profit before share of profits of joint ventures accounted for using equity method</b>	<b>4,882.00</b>	<b>3,908.87</b>	<b>24.90%</b>
<b>Add: Share of profits of joint ventures accounted for using equity method</b>	<b>-0.02</b>	<b>0.00</b>	<b>0.00%</b>
<b>Profit before tax</b>	<b>4,881.98</b>	<b>3,908.87</b>	<b>24.89%</b>
<b>Tax expense:</b>			
Current tax	0.07	0.06	16.67%
Deferred tax	1,434.70	-656.07	(318.68)%
<b>Total tax expense</b>	<b>1,434.77</b>	<b>-656.01</b>	<b>(318.71)%</b>
<b>Profit for the year</b>	<b>3,447.21</b>	<b>4,564.88</b>	<b>(24.48)%</b>
<b>Total other comprehensive income / (loss) for the year (net of tax)</b>			
<b>Total Comprehensive Income for the Year</b>	<b>3,447.21</b>	<b>4,564.88</b>	<b>(24.48)%</b>

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### Total Income

Our total income for Fiscal 2024, on a restated consolidated basis as per the Restated Consolidated Financial Information, was ₹20,376.57 million, which was 39.80% higher than our total income for Fiscal 2023, on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements, of ₹14,575.27 million.

In Fiscal 2024 and Fiscal 2023, our revenue from operations constituted 96.32% and 99.46% of our total income,

respectively.

### *Revenue from Operations*

Our revenue from operations for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹19,625.98 million, which was 35.38% higher than our revenue from operations for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹14,497.09 million. The higher revenue from operations in Fiscal 2024 was primarily due to the following:

- Revenue from energy sales in Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹18,874.56 million, which was 34.31% higher than our revenue from energy sales in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹14,053.11 million. Our higher revenue from energy sales in Fiscal 2024 was primarily attributable to new capacity addition and full year impact of capacity added during previous fiscal.
- Revenue from consultancy, project management and supervision fee in Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹100.47 million. We did not earn such revenue in Fiscal 2023.

Our other operating revenues in Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, were ₹650.95 million, which was 46.62% higher than our other operating revenues in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹443.98 million. Our other operating revenues consists solely of receipt of government grants.

### *Other Income*

Our other income for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹750.59 million, which was 860.08% higher than our other income in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹78.18 million. Our higher other income net off EDC in Fiscal 2024 was primarily attributable to interest income received from deposits with banks of ₹300.60 million and from advance to contractors and suppliers of ₹124.02 million, and other non-operating income, including from miscellaneous income of ₹169.89 million and late payment surcharge from beneficiaries of ₹156.08 million.

### *Expenses*

#### *Employee benefits expense*

Our employee benefits expense for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹370.14 million, which was 186.71% higher than our employee benefits expense for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹129.10 million. Our higher employee benefits expense in Fiscal 2024 was primarily attributable to increase in number of employees.

#### *Finance costs*

Our finance costs for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹6,905.73 million, which was 46.91% higher than our finance costs for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹4,700.64 million. Our higher finance costs in Fiscal 2024 was primarily attributable to new capacity addition and full year impact of capacity added during previous fiscal.

#### *Depreciation and amortization expense*

Our depreciation and amortization expense for Fiscal 2024 on a restated consolidated basis, as per the Restated

Consolidated Financial Information, was ₹6,427.58 million, which was 40.81% higher than our depreciation and amortization expense for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹4,564.83 million. Our higher depreciation and amortization expense in Fiscal 2024 was primarily attributable to new capacity addition and full year impact of capacity added during previous fiscal.

#### *Other expenses*

Our other expenses for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹1,791.12 million, which was 40.83% higher than our other expenses for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹1,271.83 million. Our higher other expenses in Fiscal 2024 was primarily attributable to new capacity addition and full year impact of capacity added during previous fiscal.

#### *Profit before tax*

For the aforementioned reasons, our profit before tax for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, of ₹4,881.98 million, was 24.89% higher than our profit before tax for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹3,908.87 million.

#### *Tax expense*

Our total tax expense for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, was ₹1,434.77 million, as compared to a tax credit for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹(656.01) million. Substantially all of the tax expense in Fiscal 2024 on a restated consolidated basis comprised of a deferred tax of ₹1,434.70 million was on account of difference in book depreciation & tax depreciation which is partly offset by deferred tax assets on account of unabsorbed depreciation. The tax credit of ₹(656.07) million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, was on account of the recognition of deferred tax assets on account of unabsorbed depreciation, which was partly offset by increase in deferred tax liabilities due to new capacity additions.

#### *Profit for the year*

For the aforementioned reasons, our profit for the year for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, of ₹3,447.21 million, was 24.48% lower than our profit for the year for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹4,564.88 million.

#### *Total Comprehensive Income for the year*

Our total comprehensive income for the year for Fiscal 2024 on a restated consolidated basis, as per the Restated Consolidated Financial Information, of ₹3,447.21 million, was 24.48% lower than our total comprehensive income for the year for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, of ₹4,564.88 million.

#### **Results of operations for Fiscal 2023 compared with Fiscal 2022 based on the Special Purpose Carved-Out Combined Financial Statements**

(₹ in millions, except percentages)

Particulars	For the year ended March 31,		Change (%)
	2023 <sup>(1)</sup>	2022 <sup>(1)</sup>	
Revenue from operations	14,497.09	9,104.21	59.24%
Other income	78.18	78.22	(0.05)%
<b>Total income</b>	<b>14,575.27</b>	<b>9,182.43</b>	<b>58.73%</b>

Particulars	For the year ended March 31,		Change (%)
	2023 <sup>(1)</sup>	2022 <sup>(1)</sup>	
<b>Expenses</b>			
Employee benefits expense	129.10	76.80	68.10%
Finance costs	4,700.64	2,530.49	85.76%
Depreciation and amortization expense	4,564.83	2,827.62	61.44%
Other expenses	1,271.83	1,078.53	17.92%
<b>Total expenses</b>	<b>10,666.40</b>	<b>6,513.44</b>	<b>63.76%</b>
<b>Profit before tax</b>	<b>3,908.87</b>	<b>2,668.99</b>	<b>46.46%</b>
<b>Tax expense:</b>			
Current tax	0.06	0.38	(84.21)%
Deferred tax	(656.07)	1,721.19	(138.12)%
<b>Total tax expense</b>	<b>(656.01)</b>	<b>1,721.57</b>	<b>(138.11)%</b>
<b>Profit for the year</b>	<b>4,564.88</b>	<b>947.42</b>	<b>381.82%</b>
<b>Total other comprehensive income / (loss) for the year (net of tax)</b>	<b>-</b>	<b>-</b>	
<b>Total Comprehensive Income for the Year</b>	<b>4,564.88</b>	<b>947.42</b>	<b>381.82%</b>

Notes:

<sup>(1)</sup> Based on our Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### **Total Income**

Our total income increased by 58.73% from ₹9,182.43 million for Fiscal 2022 to ₹14,575.27 million for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. In Fiscal 2022 and Fiscal 2023, our revenue from operations constituted 99.15% and 99.46% of our total income, respectively.

### **Revenue from Operations**

Our revenue from operations increased by 59.24% from ₹9,104.21 million for Fiscal 2022 to ₹14,497.09 million for Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was primarily due to a 58.82% increase in revenue from energy sales from ₹8,848.36 million in Fiscal 2022 to ₹14,053.11 million in Fiscal 2023 mainly on account of declaration of commercial operation of new capacities.

Our other operating revenues increased by 73.53% from ₹255.85 million for Fiscal 2022 to ₹443.98 million for Fiscal 2023 mainly due to the higher recognition of government grants.

### **Other Income**

Our other income was ₹78.22 million in Fiscal 2022 as compared to ₹78.18 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. Other income in Fiscal 2023 net off EDC comprised of interest income of ₹28.16 million, which consisted of interest from advance to contractors and suppliers of ₹25.92 million, and other non-operating income of ₹50.02 million, which consisted mainly of surcharge received from customers of ₹27.03 million. Other income in Fiscal 2022 net off EDC principally comprised of interest from surcharge received from customers of ₹15.44 million and from advance to contractors and suppliers of ₹33.97 million.

### **Expenses**

#### **Employee benefits expense**

Our employee benefits expense increased by 68.10% from ₹76.80 million in Fiscal 2022 to ₹129.10 million in

Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase was primarily due to increase in number of employees due to new capacity additions.

#### *Finance costs*

Our finance costs increased by 85.76% from ₹2,530.49 million in Fiscal 2022 to ₹4,700.64 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase was primarily due to new capacity additions.

#### *Depreciation and amortization expense*

Our depreciation and amortization expense increased by 61.44% from ₹2,827.62 million in Fiscal 2022 to ₹4,564.83 million in Fiscal 2023 on a carved-out basis, primarily due to an increase in gross fixed assets on account of declaration of commercial operations of new capacities.

#### *Other expenses*

Our other expenses increased by 17.92% from ₹1,078.53 million in Fiscal 2022 to ₹1,271.83 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. The increase was mainly due to increase in expenses on account of maintenance of new capacities.

#### *Profit before tax*

Our profit before tax increased by 46.46% from ₹2,668.99 million in Fiscal 2022 to ₹3,908.87 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

#### *Tax expense*

Our total tax expense decreased from a tax expense of ₹1,721.57 million in Fiscal 2022 to a tax credit of ₹(656.01) million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. The decrease was due to recognition of deferred tax assets on account of unabsorbed depreciation, which was partly offset by increase in deferred tax liabilities due to new capacity additions.

#### *Profit for the year*

As a result of the foregoing, our profit for the year increased by 381.82% from ₹947.42 million in Fiscal 2022 to ₹4,564.88 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

#### *Total Comprehensive Income for the year*

As a result of the foregoing, our total comprehensive income for the year increased by 381.82% from ₹947.42 million in Fiscal 2022 to ₹4,564.88 million in Fiscal 2023 on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

### **Certain Items in the Restated Consolidated Statement of Assets and Liabilities and Special Purpose Carved-out Combined Balance Sheet**

#### ***Assets***

The following table shows selected financial data on the Company's assets derived from our restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, and, from our special purpose carved-out combined balance sheet as at March 31, 2023 and 2022.

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Assets</b>				
Property, plant and equipment	190,761.28	175,729.97	147,581.23	75,210.35
Capital work-in-progress	90,305.09	71,380.71	17,493.45	64,256.89
Intangible assets	-	-	-	-
Investments accounted for using equity method	166.73	0.48	-	-
Financial assets				
Other financial assets	849.67	825.03	777.69	-
Other non-current assets	21,454.63	11,589.94	10,522.04	7,367.99
<b>Total Non-Current Assets</b>	<b>303,537.40</b>	<b>259,526.13</b>	<b>176,374.41</b>	<b>146,835.23</b>
<b>Current Assets</b>				
Inventories	283.67	245.03	93.00	57.38
Financial assets				
(i) Trade receivables	4,610.73	7,048.14	3,254.98	1,776.47
(ii) Cash and cash equivalents	12,522.53	1,156.27	727.46	63.07
(iii) Bank balances other than (ii) above	2,031.88	3,565.16	-	-
(v) Other financial assets	658.66	439.48	3,806.00	-
Other current assets	438.14	84.01	58.10	116.05
<b>Total Current Assets</b>	<b>20,545.61</b>	<b>12,538.09</b>	<b>7,939.54</b>	<b>2,012.97</b>
<b>Total Assets</b>	<b>324,083.01</b>	<b>272,064.22</b>	<b>184,313.95</b>	<b>148,848.20</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months ended September 30, 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### Non-Current Assets:

#### Property, plant and equipment

Our property, plant and equipment increased from ₹175,729.97 million as at March 31, 2024 to ₹190,761.28 million as at September 30, 2024, as per the Restated Consolidated Financial Information. The increase in property, plant and equipment in this period was mainly due to acquisition of plant and equipment for our new capacity addition. Our property, plant and equipment as at March 31, 2023 was ₹147,581.23 million on a restated consolidated basis, as per the Restated Consolidated Financial Information, which reflected additions arising out of the acquisition of the RE Assets and the NREL Transfer near the end of Fiscal 2023.

Our property, plant and equipment increased from ₹75,210.35 million as at March 31, 2022 to ₹147,581.23 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase in property, plant and equipment was mainly due to new capacity addition.

#### Capital work-in-progress

Capital work-in-progress increased from ₹71,380.71 million as at March 31, 2024, to ₹90,305.09 million as at September 30, 2024, as per the Restated Consolidated Financial Information. The increase in our capital work-in-progress in this period was primarily due to increase in capacity under construction.

Capital work-in-progress decreased from ₹64,256.89 million as at March 31, 2022 to ₹17,493.45 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This decrease in was mainly due to capitalisation of projects under construction.

#### ***Investments accounted for using equity method***

Our investments accounted for using equity method were ₹0.48 million and ₹166.73 million as at March 31, 2024 and September 30, 2024, respectively, as per the Restated Consolidated Financial Information. Our investments accounted for using equity method as at September 30, 2024 primarily represents our investment in Indian Oil NTPC Green Energy Pvt. Ltd., a joint venture company we established with Indian Oil Corporation Ltd.

#### ***Financial assets***

Our non-current financial assets increased from ₹825.03 million as at March 31, 2024 to ₹849.67 million as at September 30, 2024, as per the Restated Consolidated Financial Information, which represents the present value of deposits with the Government of Gujarat in respect of the Khavda Solar Park in Rann of Kutch, Gujarat.

Our non-current financial assets increased from ₹Nil as at March 31, 2022 to ₹777.69 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase in non-current financial assets was mainly due to present value of deposits with Government of Gujarat in respect of Khavda Solar Park in Rann of Kutch, Gujarat.

#### ***Other non-current assets***

Other non-current assets increased from ₹11,589.94 million as at March 31, 2024 to ₹21,454.63 million as at September 30, 2024, as per the Restated Consolidated Financial Information. This increase was principally due to an increase in capital advances from ₹11,529.02 million as at March 31, 2024 to ₹21,370.34 million as at September 30, 2024.

Other non-current assets increased from ₹7,367.99 million as at March 31, 2022 to ₹10,522.04 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase in other non-current assets was mainly due to increase in capital advances.

#### ***Current Assets:***

##### ***Inventories***

Our inventories increased from ₹245.03 million as at March 31, 2024 to ₹283.67 million as at September 30, 2024, as per the Restated Consolidated Financial Information.

Our inventories increased from ₹57.38 million as at March 31, 2022 to ₹93.00 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase in inventories was mainly due to an increase in inventory of stores & spares maintained at new capacities.

##### ***Financial assets***

Our financial assets increased from ₹12,209.05 million as at March 31, 2024 to ₹19,823.80 million as at September 30, 2024, as per the Restated Consolidated Financial Information. The increase was primarily due to an increase in cash and cash equivalent from ₹1,156.27 million as at March 31, 2024 to ₹12,522.53 million as at September 30, 2024, partially offset by a decrease in trade receivables from ₹7,048.14 million as at March 31, 2023 to ₹4,610.73 million as at September 30, 2024.

Our financial assets increased from ₹1,839.54 million as at March 31, 2022 to ₹7,788.44 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase

in financial assets was mainly due to the reasons set forth below:

- Trade receivables increased from ₹1,776.47 million as at March 31, 2022 to ₹3,254.98 million as at March 31, 2023, mainly due to an increase in energy sales on account of addition of new capacity;
- Cash and bank balances increased from ₹63.07 million as at March 31, 2022 to ₹727.46 million as at March 31, 2023; and
- Other financial assets increased from ₹Nil as at March 31, 2022, to ₹3,806.00 million as at March 31, 2023, primarily due to government grants receivable from Solar Energy Corporation of India under MNRE Scheme for setting up Solar PV power projects.

#### **Other current assets**

Other current assets increased from ₹84.01 million as at March 31, 2024, to ₹438.14 million as at September 30, 2024, as per the Restated Consolidated Financial Information, which was mainly due to an increase in (i) recoverable claims and (ii) prepaid expenses on account of insurance.

Other current assets decreased from ₹116.05 million as at March 31, 2022 to ₹58.10 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was mainly due to a decrease in advances made to contractors and suppliers.

#### **Liabilities**

The following table shows selected financial data on the Company's liabilities derived from our restated consolidated statement of assets and liabilities as at September 30, 2024, and March 31, 2024, and from our special purpose carved-out statement of assets and liabilities as at March 31, 2023 and 2022.

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Non-Current Liabilities</b>				
Financial liabilities				
(i) Borrowings	164,021.91	121,645.11	52,435.31	85,739.69
(ii) Lease liabilities	9,027.09	9,782.65	6,842.16	1,425.81
(iii) Other financial liabilities	-	-	-	27.07
Deferred tax liabilities (net)	13,010.30	12,299.60	10,864.90	11,520.97
Other non-current liabilities	19,425.65	19,343.58	16,945.90	10,306.51
<b>Total Non-Current Liabilities</b>	<b>205,484.95</b>	<b>163,070.94</b>	<b>87,088.27</b>	<b>109,020.05</b>
<b>Current Liabilities</b>				
Financial liabilities				
(i) Borrowings	6,553.05	6,322.29	1,743.10	472.14
(ii) Lease liabilities	842.63	809.24	349.48	238.95
(iii) Trade payables				
(A) total outstanding dues of micro and small enterprises	74.31	97.03	129.00	0.59
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	844.41	527.79	893.70	924.99
(iv) Other financial liabilities	26,539.66	37,901.89	44,489.01	18,345.64
Other current liabilities	933.20	1,012.13	746.49	325.31
Provisions	0.80	0.80	-	5.24
<b>Total Current Liabilities</b>	<b>35,788.06</b>	<b>46,671.17</b>	<b>48,350.78</b>	<b>20,312.86</b>
<b>Total Liabilities</b>	<b>241,273.01</b>	<b>209,742.11</b>	<b>135,439.05</b>	<b>129,332.91</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months ended September 30, 2024. See "Restated



Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

## **Non-Current Liabilities:**

### **Financial liabilities**

Our non-current borrowings increased from ₹121,645.11 million as at March 31, 2024 to ₹164,021.91 million as at September 30, 2024, as per the Restated Consolidated Financial Information. The increase in our non-current borrowings was due to an increase in secured loans from ₹16,078.04 million as at March 31, 2024 to ₹24,974.20 million as at September 30, 2024, and an increase in unsecured loans from ₹105,567.07 million as at March 31, 2024 to ₹139,047.71 million as at September 30, 2024, resulting from drawdowns of fresh loans for capital expenditure purposes.

Our non-current borrowings decreased from ₹85,739.69 million as at March 31, 2022 to ₹52,435.31 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to a transfer of business from NTPC to the Company, and borrowings getting translated to payable to our holding company, NTPC, shown under current financial liabilities.

Our lease liabilities decreased from ₹9,782.65 million as at March 31, 2024, to ₹9,027.09 million as at September 30, 2024, as per the Restated Consolidated Financial Information, which was principally due to a repayment of lease liabilities in terms of the respective lease agreements.

Our lease liabilities increased from ₹1,425.81 million as at March 31, 2022, to ₹6,842.16 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to execution of fresh lease agreements for acquisition of land.

### **Deferred tax liabilities (net)**

Our deferred tax liabilities (net) increased from ₹12,299.60 million as at March 31, 2024, to ₹13,010.30 million as at September 30, 2024 as per the Restated Consolidated Financial Information, which was principally due to difference in book depreciation and tax depreciation.

Our deferred tax liabilities (net) decreased from ₹11,520.97 million as at March 31, 2022, to ₹10,864.90 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to recognition of deferred tax assets on account of unabsorbed depreciation.

### **Other non-current liabilities**

Our other non-current liabilities increased from ₹19,343.58 million as at March 31, 2024, to ₹19,425.65 million as at September 30, 2024 as per the Restated Consolidated Financial Information.

Our other non-current liabilities increased from ₹10,306.51 million as at March 31, 2022, to ₹16,945.90 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to recognition of government grants received for setting up solar power plants.

## **Current Liabilities:**

### **Financial liabilities**

Our current financial liabilities decreased from ₹45,658.24 million as at March 31, 2024 to ₹34,854.06 million as at September 30, 2024, as per the Restated Consolidated Financial Information, mainly due to a decrease in other financial liabilities from ₹37,901.89 million as at March 31, 2024, to ₹26,539.66 million as at September 30, 2024, following a decrease in payable for capital expenditure from ₹36,742.18 million as at March 31, 2024 to ₹25,052.45 million as at September 30, 2024. Such decrease was partially offset by an increase in our current borrowings from ₹6,322.29 million as at March 31, 2024 to ₹6,553.05 million as at September 30, 2024, and an increase in trade payables from ₹624.82 million as at March 31, 2024 to ₹918.72 million as at September 30, 2024.

Our current financial liabilities increased from ₹19,982.31 million as at March 31, 2022 to ₹47,604.29 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements. This increase in current financial liabilities was due the following reasons:

- our current borrowings increased from ₹472.14 million as at March 31, 2022, to ₹1,743.10 million as at March 31, 2023, due to an increase in current maturities of non-current borrowings;
- our current lease liabilities increased from ₹238.95 million as at March 31, 2022, to ₹349.48 million as at March 31, 2023, due to the execution of fresh lease agreements for land acquisition,
- our trade payables increased from ₹925.58 million as at March 31, 2022, to ₹1,022.70 million as at March 31, 2023, and
- our other financial liabilities increased from ₹18,345.64 million as at March 31, 2022, to ₹44,489.01 million as at March 31, 2023, following an increase in payables to NTPC in relation to balance payable on account of business transfer.

#### ***Other current liabilities***

Our other current liabilities decreased from ₹1,012.13 million as at March 31, 2024 to ₹933.20 million as at September 30, 2024, as per the Restated Consolidated Financial Information, mainly due to a decrease in statutory dues payable.

Our other current liabilities increased from ₹325.31 million as at March 31, 2022 to ₹746.49 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to an increase in Government grants from ₹278.85 million as at March 31, 2022 to ₹597.28 million as at March 31, 2023, and an increase in statutory dues payable.

#### **Financial Indebtedness**

The following table sets forth our secured and unsecured debt position as at September 30, 2024 and March 31, 2023, as per the Restated Consolidated Financial Information, and as at March 31, 2023 and 2022, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Non-Current</b>				
<b>Secured Borrowings, comprising of:</b>				
Bonds Domestic	-	-	-	14,511.00
Term loans	25,436.77	16,194.53	1,503.41	400.00
Less: Current maturities of non-current borrowings				
Bonds Domestic	-	-	-	112.00
Term Loans	<b>346.15</b>	<b>115.39</b>	-	
Interest accrued but not due on secured borrowings	116.42	1.10	-	642.20
<b>Total Non-Current Secured Borrowings</b>	24,974.20	16,078.04	1,503.41	14,156.80
<b>Unsecured Borrowings, comprising of:</b>				

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Bonds Domestic	-	-	-	52,430.40
Term Loans	146,010.54	111,779.39	52,675.00	21,648.65
- Less: Current maturities of non-current borrowings	6,206.90	6,206.90	1,743.10	360.14
Interest accrued but not due on unsecured borrowings	755.93	5.42	-	2,136.02
<b>Total Non-Current Unsecured Borrowings</b>	<b>139,047.71</b>	<b>105,567.07</b>	<b>50,931.90</b>	<b>71,582.89</b>
<b>Total Non-Current Borrowings</b>	<b>164,021.91</b>	<b>121,645.11</b>	<b>52,435.31</b>	<b>85,739.69</b>
<b>Current</b>				
<b>Secured Borrowings, comprising of:</b>				
Bonds: current maturities of non-current borrowings	-	-	-	112.00
Term loans: current maturities of non-current borrowings	346.15	115.39	-	-
<b>Total Current Secured Borrowings</b>	<b>346.15</b>	<b>115.39</b>	<b>-</b>	<b>112.00</b>
<b>Unsecured Borrowings, comprising of:</b>				
Bonds: current maturities of non-current borrowings	-	-	-	-
Term loans: current maturities of non-current borrowings	6,206.90	6,206.90	1,743.10	360.14
<b>Total Current Unsecured Borrowings</b>	<b>6,206.90</b>	<b>6,206.90</b>	<b>1,743.10</b>	<b>360.14</b>
<b>Total Current Borrowings</b>	<b>6,553.05</b>	<b>6,322.29</b>	<b>1,743.10</b>	<b>472.14</b>
<b>Total Borrowings</b>	<b>170,574.96</b>	<b>127,967.40</b>	<b>54,178.41</b>	<b>86,211.83</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months ended September 30, 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

Our total borrowings increased from ₹127,967.40 million as at March 31, 2024 to ₹170,574.96 million as at September 30, 2024, as per the Restated Consolidated Financial Information, primarily due to an increase in term loans from our banks (net of repayment) by ₹42,607.56 million on account of fresh drawdowns for capital expenditure purposes.

Our total borrowings decreased from ₹86,211.83 million as at March 31, 2022 to ₹54,178.41 million as at March 31, 2023, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements, which was principally due to transfer of business from NTPC to the Company, and borrowings getting translated to payable to holding company shown under current financial liabilities. See "Financial Indebtedness" for a description of broad terms of our indebtedness on page 516.

## Liquidity and Capital Resources

### Capital Requirements

Our principal capital requirements are for capital expenditure, working capital expenditure and payment of principal and interest on our borrowings. Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by borrowings from banks and financial institutions and optimization of operating working capital. For Fiscal 2022, Fiscal 2023 and Fiscal 2024 and the six months ended

September 30, 2024, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings and borrowings from Promoters.

### **Liquidity**

Our primary liquidity requirements have been to finance our working capital needs and capital expenditures, including undertaking of new projects, and the repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash generated from operations, borrowings by way of short-term and long-term borrowings from banks, cash and cash equivalents and equity and financing provided by our shareholders. We have also entered into various revolving credit and other working capital facilities, which provides sufficient liquidity for our present requirements.

We had cash and cash equivalents of ₹12,522.53 million and ₹1,156.27 million as at September 30, 2024 and March 31, 2024, respectively, as per the Restated Consolidated Financial Information, and ₹727.46 million and ₹63.07 million as at March 31, 2023 and March 31, 2022, respectively, on a carved-out basis, as per the Special Purpose Carved-Out Combined Financial Statements.

### **Cash Flows Based on the Restated Consolidated Financial Information and the Special Purpose Carved-Out Combined Financial Statements**

The following table summarizes our cash flows for Fiscal 2023 and Fiscal 2024 and the six-month period ended September 30, 2024, as per the restated consolidated statement of cash flows:

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the six months ended September 30, 2024	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
Net cash generated from operating activities	11,095.51	15,791.22	7,407.44	6,743.20
Net cash (used in) investing activities	(55,357.14)	(92,070.46)	(24,846.48)	(44,733.57)
Net cash generated from financing activities	55,627.89	76,708.05	18,103.43	37,982.81
<b>Net increase / (decrease) in cash and cash equivalents</b>	11,366.26	428.81	664.39	(7.56)
Cash and cash equivalents at the beginning of the period/year	<b>1,156.27</b>	<b>727.46</b>	<b>63.07</b>	<b>70.63</b>
<b>Cash and cash equivalents at the end of the period/year</b>	<b>12,522.53</b>	<b>1,156.27</b>	<b>727.46</b>	<b>63.07</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months ended September 30, 2024. See "Restated Consolidated Financial Information" on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

### **Cash flows generated from operating activities**

Based on our Restated Consolidated Financial Information

We generated ₹11,095.51 million net cash from operating activities during the six months ended September 30, 2024 on a consolidated basis, as per our Restated Consolidated Financial Information. While our restated profit

before tax for the period was ₹2,477.45 million, we had operating cash flows before working capital changes of ₹9,167.91 million, primarily due to adjustments for finance costs of ₹3,779.18 million, depreciation and amortization expense of ₹3,578.28 million, which were partially offset by the deferred revenue from Government grants of ₹327.79 million and interest income/late payment surcharge/income from investments received of ₹337.71 million. Our total working capital adjustments for the six months ended September 30, 2024 was ₹1,937.97 million, which primarily consisted of decreases in trade receivables by ₹2,567.44 million and an increase in trade payables by ₹293.90 million, partially offset by a decrease in other financial liabilities of ₹251.52 million, an increase in current other assets of ₹354.13 million and an increase in other financial assets of ₹186.32 million. Our cash generated from operating activities was ₹11,105.88 million, adjusted by income tax paid of ₹10.37 million.

We generated ₹15,791.22 million net cash from operating activities during Fiscal 2024 on a consolidated basis, as per our Restated Consolidated Financial Information. While our restated profit before tax for the year was ₹4,882.00 million, we had operating cash flows before working capital changes of ₹16,986.09 million, primarily due to adjustments for interest expense of ₹6,817.67 million and depreciation and amortization expense of ₹6,427.58 million, which were partially offset by the deferred revenue from Government grants of ₹650.95 million and interest income/late payment surcharge/income from investments received of ₹580.70 million. Our total of working capital adjustments for Fiscal 2024 was ₹(1,168.14) million, due to increases in trade receivables of ₹3,648.93 million and other financial assets of ₹316.22 million and a decrease in trade payables of ₹397.37 million, which were partially offset by a decrease in other financial liabilities of ₹3,164.55 million and a decrease in other current liabilities of ₹209.65 million. Our cash generated from operating activities was ₹15,791.22 million, adjusted by income tax paid of ₹26.73 million.

*Based on our Special Purpose Carved-Out Combined Financial Statements*

We generated ₹7,407.44 million net cash from operating activities during Fiscal 2023 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements. While our profit before tax for the year was ₹3,908.87 million, we had operating cash flows before working capital changes of ₹12,697.78 million, primarily due to adjustments for depreciation and amortization expense of ₹4,564.83 million, finance costs of ₹4,634.41 million, which were partially offset by the deferred revenue from Government grants of ₹443.98 million. Our total working capital adjustment for Fiscal 2023 was ₹5,278.88 million, mainly due to decreases in trade payables, provisions, other financial liabilities and other liabilities of ₹3,655.84 million and, an increase in other financial assets and other assets of ₹135.94 million and an increase in trade receivables of ₹1,451.48 million. Our cash generated from operating activities was ₹7,418.90 million, adjusted by income tax paid of ₹11.46 million.

We generated ₹6,743.20 million net cash from operating activities during Fiscal 2022 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements. While our profit before tax for the year was ₹2,668.99 million, we had operating cash flows before working capital changes of ₹7,751.91 million, primarily due to adjustments for depreciation and amortization expense of ₹2,827.62 million and finance costs of ₹2,515.91 million. Our total working capital adjustment for Fiscal 2022 was ₹(1,007.55) million, mainly due to an increase in other financial assets and other assets of ₹973.46 million and increases in trade receivables of ₹144.69 million and offset by increases in trade payables, provisions, other financial liabilities and other liabilities of ₹112.87 million. Our cash generated from operating activities was ₹6,744.36 million, adjusted by income tax paid of ₹1.16 million.

*Cash flows used in investing activities*

*Based on our Restated Consolidated Financial Information*

Net cash used in investing activities was ₹55,357.14 million in the six months ended September 30, 2024, on a consolidated basis, as per our Restated Consolidated Financial Information, primarily on account of ₹47,415.37 million used for payments for the purchase of property, plant and equipment and financial liabilities for asset acquisition and increase in other non-current assets by ₹9,842.17 million mainly due to increase in capital advances.

Net cash used in investing activities was ₹92,070.46 million in Fiscal 2024 on a consolidated basis, as per our

Restated Consolidated Financial Information, primarily on account of ₹94,346.33 million used for payments for purchase of property, plant and equipment and financial liabilities for asset acquisition, increase in bank balances of ₹3,559.80 million and partially offset by proceeds from government grants of ₹6,403.25 million.

*Based on our Special Purpose Carved-Out Combined Financial Statements*

Net cash used in investing activities was ₹24,846.48 million in Fiscal 2023 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements, primarily on account of ₹28,692.53 million used for the purchase of property, plant and equipment, intangible assets which was partially offset by the receipt of Government grants of ₹3,845.79 million.

Net cash used in investing activities was ₹44,733.57 million in Fiscal 2022 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements, primarily on account of ₹44,741.39 million used for the purchase of property, plant and equipment, intangible assets.

**Cash flows generated from financing activities**

*Based on our Restated Consolidated Financial Information*

Net cash generated from financing activities in the six months ended September 30, 2024, on a consolidated basis, as per our Restated Consolidated Financial Information, amounted to ₹55,627.89 million, which primarily consisted of the receipt of proceeds from non-current borrowings in the amount of ₹45,711.01 million and partially offset by interest payment of ₹5,432.74 million.

Net cash generated from financing activities in Fiscal 2024 on a consolidated basis, as per our Restated Consolidated Financial Information, amounted to ₹76,708.05 million, which primarily consisted of proceeds from non-current borrowings of ₹76,892.40 million, proceeds from equity contributions received of ₹10,000.00 million, which were partially offset by interest paid of ₹6,845.79 million and repayments of non-current borrowings of ₹3,103.40 million.

*Based on our Special Purpose Carved-Out Combined Financial Statements*

Net cash generated from financing activities in Fiscal 2023 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements amounted to ₹18,103.43 million, which primarily consisted of proceeds from non-current borrowings in the amount of ₹70,333.91 million, equity contribution received in the amount of ₹47,196.11 million and changes in owner's net investment by ₹13,066.58 million which were partially offset by repayment of non-current borrowings in the amount of ₹102,378.03 million and interest paid in the amount of ₹9,494.49 million.

Net cash generated from financing activities in Fiscal 2022 on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements amounted to ₹37,982.81 million, which primarily consisted of the proceeds from non-current borrowings in the amount of ₹47,305.27 million and changes in owner's net investment in the amount of ₹5,377.57 million, which were partially offset by the repayment of non-current borrowings in the amount of ₹10,880.00 million and interest cost paid in the amount ₹3,706.79 million.

**Capital and Other Commitments**

The following table summarizes our other commitments as at September 30, 2024 and March 31, 2024, as per the Restated Consolidated Financial Information, and as at March 31, 2023 and March 31, 2022, on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements:

(₹ in millions)

Commitments	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital	164,616.99	129,381.77	88,807.39	60,526.39

Commitments	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
account				

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for Fiscal 2024 and the six months ended September 30, 2024. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements for Fiscal 2023 and Fiscal 2022, which have been prepared on a carved-out basis from the audited consolidated financial statements of the NTPC Group for Fiscal 2023 and Fiscal 2022 and our Restated Consolidated Financial Information for Fiscal 2023. This carved-out financial information is not financial information of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

For details, see “Restated Consolidated Financial Information – Note 51 – Contingent liabilities, contingent assets and commitments” on page 356, and “Special Purpose Carved-Out Combined Financial Statements – Note 50 – Contingent liabilities, contingent assets and commitments” on page 426.

### Lease Liabilities

We have entered into agreements for leasing land and office premises. Land leases typically run for a period of 12-40 years. The leases for office premises typically run for a period of 2 years after which the lease is subject to termination at the option of lessee or lessor.

The following table sets forth a summary of our lease liabilities as at September 30, 2024 and March 31, 2024, as per the Restated Consolidated Financial Information, and as at March 31, 2023 and March 31, 2022, on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements, broken down by current and non-current:

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current	842.63	809.24	349.48	238.95
Non-current	9,027.09	9,782.65	6,842.16	1,425.81
<b>Total</b>	<b>9,869.72</b>	<b>10,591.89</b>	<b>7,191.64</b>	<b>1,664.76</b>

Notes:

<sup>(1)</sup> Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024, Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company’s date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company. See “Restated Consolidated Financial Information” on page 282.

<sup>(2)</sup> Based on the Special Purpose Carved-Out Combined Financial Statements from the accounts of NTPC Limited. This financial information is not of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See “Special Purpose Carved-Out Combined Financial Statements” on page 365. See also “Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company” on page 38.

### Capital Expenditure

Capital expenditures consist primarily of investments in our plant and machinery and purchases of furniture and fixtures, office equipment and motor vehicles. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace equipment and the timing of certain projects, such as investment in new technologies.

The following table summarizes our capital expenditure for the six months ended September 30, 2024 and Fiscal 2024, as per the Restated Consolidated Financial Information, and for Fiscal 2023 and Fiscal 2022, on a carved-out basis as per the Special Purpose Carved-Out Combined Financial Statements:

(₹ in millions)

Particulars	Restated Consolidated Financial Information <sup>(1)</sup>		Special Purpose Carved-Out Combined Financial Statements <sup>(2)</sup>	
	For the three months ended September 30, 2024	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2022
Addition to Property, Plant & Equipment during the period	20,073.96	34,939.93	77,360.33	22,463.85
Add: Closing balance of Capital Work-in-progress	90,305.09	71,380.71	17,493.45	64,256.89
Less: Opening balance of Capital Work-in-progress	71,380.71	17,493.45	64,256.89	37,054.08
<b>Total Capital Expenditure</b>	<b>38,998.34</b>	<b>88,827.19</b>	<b>30,596.89</b>	<b>49,666.66</b>

Notes:

- (1) Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024, Fiscal 2024 and Fiscal 2023. In Fiscal 2023, our restated consolidated financial information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company. See "Restated Consolidated Financial Information" on page 282.
- (2) Based on the Special Purpose Carved-Out Combined Financial Statements from the accounts of NTPC Limited. This financial information is not of our Company and its consolidated subsidiaries and associates under the leadership of our current management and board. See "Special Purpose Carved-Out Combined Financial Statements" on page 365. See also "Risk Factors – Our Special Purpose Carved-Out Combined Financial Statements and Carved-out Operating Data may not be representative of our results as an independent company" on page 38.

The above capital expenditures were primarily financed by internally generated resources, long-term bank borrowings and equity contributions from our shareholder.

### Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk, credit risk and liquidity risk. Our board of directors oversees the management of these risks. Our board of directors is responsible to ensure that our financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with our policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

#### Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group.

#### Currency Risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The currency profile of financial assets and financial liabilities as at September 30, 2024, March 31, 2024 and March 31, 2023 are as below:

(in millions)



	Currency	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Other financial liabilities	USD	-	-	207.92	17,454.80	-	-

### ***Credit Risk***

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables & unbilled revenue, loans and advances, cash and cash equivalents and deposits with banks and financial institutions.

#### Trade receivables & unbilled revenue

The Group primarily sells electricity to bulk customers comprising mainly state utilities owned by State Governments. The Group has a robust payment security mechanism in the form of Letters of Credit (LC).

The Group has not experienced any significant impairment losses in respect of trade receivables in the past year. Since the Group has its power stations as well as customers spread over various states of India, geographically there is no concentration of credit risk.

Unbilled revenue primarily relates to the Company's right to consideration for sale effected but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts.

#### Cash and cash equivalents and deposits with banks

Our cash and cash equivalents are held with banks which have a high credit rating. We consider that our cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Group held cash and cash equivalents as on 30 September 2024 of ₹12,522.53 million (30 September 2023: ₹25.61 million, 31 March 2024: ₹1,156.27 million and 31 March 2023: ₹727.46 million). The Group has banking operations mainly with SBI, Axis Bank, HDFC Bank, PNB, Central Bank, UCO Bank, Federal Bank & IOB, which are scheduled banks. These banks have high credit rating and risk of default with these banks is considered to be insignificant.

#### Deposits with banks other than cash and cash equivalents

The Group held balances with banks, including earmarked balances, as on 30 September 2024 of ₹2,031.88 million (30 September 2023: ₹4,289.03 million, 31 March 2024: ₹3,565.16 million and 31 March 2023: Nil). In order to manage the risk, Group places deposits with only high rated banks/institutions.

### ***Liquidity Risk***

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and

long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash 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 Group's Treasury department is responsible for managing the short-term and long-term liquidity requirements of the Group. Short-term liquidity situation is reviewed daily by the Treasury department. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a month, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Since billing to the customers are generally on a monthly basis, the Group maintains sufficient liquidity to service financial obligations and to meet its operational requirements.

(i) *Financing arrangements*

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

*(₹ in millions)*

Particulars	As at September 30, 2024	As at March 31,	
		2024	2023
<b>Floating rate borrowings</b>			
Cash credit	1,610.00	610.00	5,600.00
Term loans	47,838.09	53,549.20	75,771.59
<b>Total</b>	<b>49,448.09</b>	<b>54,159.20</b>	<b>81,371.59</b>

(i) *Maturities of financial liabilities*

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

*(₹ in millions)*

As at September 30, 2024	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee term loans from banks	872.35	6,553.05	6,911.09	44,336.89	112,773.93	171,447.31
Lease obligations	198.93	337.62	589.52	1,891.44	24,514.65	27,532.16
Trade and other payables	918.72	-	-	-	-	918.72
Other financial liabilities	13,386.64	12,280.67	-	-	-	25,667.31
<b>Total</b>	<b>15,376.64</b>	<b>19,171.34</b>	<b>7,500.61</b>	<b>46,228.33</b>	<b>137,288.58</b>	<b>225,565.50</b>

*(₹ in millions)*

As at March 31, 2024	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee term loans from banks	-	6,322.29	6,668.50	35,864.10	79,119.03	127,973.92
Lease obligations	357.17	539.01	570.38	1,826.02	26,801.61	30,094.19
Trade and other payables	624.82	-	-	-	-	624.82
Other financial liabilities	20,074.77	17,827.12	-	-	-	37,901.89
<b>Total</b>	<b>21,056.76</b>	<b>24,688.42</b>	<b>7,238.88</b>	<b>37,690.12</b>	<b>105,920.64</b>	<b>196,594.82</b>

*(₹ in millions)*

As at March 31, 2023	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Rupee term loans from banks	-	1,743.10	3,533.51	12,899.61	36,002.19	54,178.41
Lease obligations	163.23	301.05	336.23	1,061.46	19,617.96	21,479.93
Trade and other payables	1,022.70	-	-	-	-	1,022.70
Other financial liabilities	35,320.55	9,168.46	-	-	-	44,489.01
<b>Total</b>	<b>36,506.48</b>	<b>11,212.61</b>	<b>3,869.74</b>	<b>13,961.07</b>	<b>55,620.15</b>	<b>121,170.05</b>

### ***Interest Rate Risk***

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments is as follows:  
(₹ in millions)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023
<b>Financial Assets:</b>			
Fixed-rate instruments			
Bank deposits	2,031.88	3,565.16	-
Security Deposit	849.67	825.03	777.69
Total	2,881.55	4,390.19	777.69
Variable-rate instruments			
Total Financial Assets	2,881.55	4,390.19	777.69
<b>Financial Liabilities:</b>			
Fixed-rate instruments			
Lease obligations	9,869.72	10,591.89	7,191.64
Total	9,869.72	10,591.89	7,191.64
Variable-rate instruments			
Rupee Term Loans from Banks	171,447.31	127,973.92	54,178.41
Total	171,447.31	127,973.92	54,178.41
<b>Total Financial Liabilities</b>	<b>181,317.03</b>	<b>138,565.81</b>	<b>61,370.05</b>

### Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates

### Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

(₹ in millions)

Particulars	Profit or (Loss)	
	0.5% Increase	0.5% Decrease
Period ended September 30, 2024		

Particulars	Profit or (Loss)	
	0.5% Increase	0.5% Decrease
Rupee term loans	(389.98)	389.98
Year ended March 31, 2024		
Rupee term loans	(478.00)	478.00
Year ended March 31, 2023		
Rupee term loans	(19.87)	19.87

### Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the six months ended September 30, 2024 and September 30, 2023 and in Fiscals 2024 and 2023.

The Auditor's Report on Consolidated Financial Statements for the six months period ended 30 September 2024 included the following emphasis of matter:

"We draw attention to the following matters in the notes to the interim consolidated financial statements:

- Note No. 32(a) regarding balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to other parties as on 30 September 2024 and 30 September 2023, as the Company has practise to issue such letters only once in a year as on 31st December. These balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.
- Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years for development of the Green Hydrogen Hub in the State of Andhra Pradesh. As per the approval of the Board of Directors of the holding company ("NTPC Limited") and of the Company, an amount of ₹ 10,034.52 Million (net of refund received) incurred by holding company on this land was reimbursed by the Company to the holding company. Entire amount reimbursed is shown under "Right of Use asset" as on 30 September 2024 and 31 March 2024. Amortization of ROU, kept in Capital Work in Progress amounting to ₹202.75 Million as on 30 September 2024 and ₹ 50.85 Million as on 31 March 2024, commenced w.e.f. 19 February 2024 taking lease term as 33 years as the identification of underlying assets to be acquired and their useful life is yet to be ascertained by the management.
- Foot-note (a) to Note 2 regarding the title deeds of all the immovable properties which are included under the head property, plant and equipment are held in the name of the company except as follows:

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
(1)	(2)	(3)	(4)	(5)	(6)
Land-Freehold 5,458.05 Acres (5,458.05 Acres)	2,381.72 (2,381.72)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Land-Freehold	4.55 (Nil)	Number of land owners	No	Financial Year 2023-24	Pending legal formalities.

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
7.85 Acres (Nil)					
Land- Right of Use 8,136.72 Acres (8,136.72 Acres)	2,347.98 (2,405)	NTPC Limited	Promoter	Since 28.02.2023	Pending legal formalities.
Plant buildings, boundary walls etc.	1,027.23 (1,007.20)	NTPC Limited	Promoter	Since 28.02.2023	As stated above, transfer of title deeds of land, over which these assets are constructed, are pending.

*Note: Figures in brackets represents area and amount as on 30 September 2023*

The above matters do not require adjustment to Restated Consolidated Financial Information.

The Auditor's Report on Consolidated Financial Statements for the year ended 31 March 2024 included the following emphasis of matter:

"We draw attention to following matters in the notes to the Consolidated Financial Statements:

- Note No. 32(a) regarding obtaining periodic balance confirmations from parties. We note that no balance confirmation requests were sent to customers appearing under trade receivables and to certain other parties as on 31 December 2023. Some of such balances are subject to confirmation / reconciliation and adjustment, if any, will be accounted for on confirmation / reconciliation of the same.
- Note No. 48(c) regarding entering into a lease deed on 19 February 2024 for 1,200 acres of land for a period of 33 years with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") for development of the Green Hydrogen Hub in Andhra Pradesh whereas this land was earlier on lease with NTPC Limited ("Ultimate Holding Company") since year 2014 and APIIC now agreed for transfer of allotment in the name of the Holding Company. As per the approval of the Board of Directors of the Ultimate holding Company and of the Holding Company, an amount of Rs. 10,034.52 million (net of refund received) crores incurred by holding company till date was reimbursed by the Holding Company to the Ultimate Holding Company which includes down payment of lease charges of Rs.7,284.60 million and various other charges, including interest on unpaid dues of land, GST on interest paid, restoration charges and various other amounts, aggregating to Rs. 2,749.92 million. Entire amount reimbursed is shown under "Right of Use asset" as on 31 March 2024. Amortization of ROU commenced w.e.f. 19 February 2024 taking lease term as 33 years as useful life of underlying asset is not ascertainable at this stage."

The above matters do not require adjustment to Restated Consolidated Financial Information.

We cannot assure you that our Statutory Auditors' reports for any future financial period will not contain similar matters or other remarks, observations or other matters prescribed under Companies (Auditor's Report) Order 2020, and that such matters will not otherwise affect our results of operations.

#### **Off-Balance Sheet Arrangements**

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

### **Related Party Transactions**

We enter into various transactions with related parties. For further information see “*Restated Consolidated Financial Information – Note 37 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” on page 340 and “*Special Purpose Carved-Out Combined Financial Statements – Note 38 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” on page 413.

### **Significant economic changes that materially affect or are likely to affect income from continuing operations**

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

### **Unusual or Infrequent Events of Transactions**

Except as described in this Red Herring Prospectus, there have been no other events or transactions, including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc., that, to our knowledge, may be described as “unusual” or “infrequent”.

### **Known Trends or Uncertainties**

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled “*Principal Factors Affecting Our Financial Condition and Results of Operations*” and the uncertainties described in the “*Risk Factors*” on page 31. To our knowledge, except as described or anticipated in this Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our sales, revenues or income from continuing operations.

### **Future Relationship between Cost and Income**

Other than as described elsewhere in this Red Herring Prospectus, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

### **Publicly announced new products or business segments / material increase in revenue due to increased disbursements and introduction of new products**

As on the date of this Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

### **Significant dependence on single or few customers**

Our business is concentrated with our top nine offtakers, since there is a concentrated pool of government-controlled power purchasers for utility-scale electricity generated by our solar and wind plants and projects. We derived a significant portion of our revenue from operations in the six-month period ended September 30, 2024, and Fiscal 2024, on a restated consolidated basis, as per our Restated Consolidated Financial Information, and our revenue from operations in Fiscal 2023 and Fiscal 2023, on a carved-out basis, as per our Special Purpose Carved-Out Combined Financial Statements from our top nine offtakers. Please refer to the sections “*Our Business – Our Offtaker Customers – Concentration of offtakers*” and “*Risk Factors - There is a concentrated pool of utilities and power purchasers for electricity generated by our plants and projects. Accordingly, we derived a significant portion (more than 87%) of our revenue from operations from our top five offtakers in Fiscal 2024, with our single largest offtaker contributing around 50% of our revenue from operations in Fiscal 2024. Loss of any of these customers or a deterioration of their financial condition could adversely affect our business, results of operations and financial condition.*” on pages 221 and 32, respectively, for further information on our offtaker customers.

### **Seasonality of business**

The energy output performance of our solar projects is dependent in part on the amount of sunlight and the ambient temperatures. As a result, our revenue in the past has been impacted by rain and sunlight. Our solar energy output decreases in monsoon seasons due to less sunlight whereas it increases during winter and summer months. The energy output performance of our wind projects is dependent on wind patterns and wind speeds. As a result, our revenue in the past has been impacted by seasonal variability in wind speeds. Our wind energy output decreases during the “Low Wind Season”, which generally spans October to March, and increases during the “High Wind Season”, which generally spans April to September in any given year. We believe that the higher levels of revenue generated during the winter and summer months and High Wind Season can help to mitigate the lower levels of revenue generated during the monsoon seasons and Low Wind Season. Typically, our revenue is the lowest from June to September and highest from January to March of any given fiscal year.

### **Competitive conditions**

We operate in a competitive environment and expect competition in our industry from existing and potential competitors to intensify. Please refer to the sections “*Industry Overview*”, “*Our Business*”, and “*Risk Factors*” on pages 151, 195 and 31, respectively, for further information on our industry and competition.

### **Significant Developments after September 30, 2024 that may affect our future results of operations**

Except as stated in this Red Herring Prospectus, no circumstances have arisen since the date of the last financial statements forming part of the Restated Consolidated Financial Information as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

a) Commissioning of third part capacities of 32.90 MW out of 300 MW Shambu ki Burj – 2 Solar PV Project

Consequent upon successful commissioning and due approvals, third part capacity of 32.90 MW out of 300 MW Shambu ki Burj-2 (Kolayat) Solar PV Project at Bikaner, Rajasthan of the Company, is declared on Commercial Operation w.e.f. 00:00 Hrs. of October 31, 2024.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at September 30, 2024, derived from our Restated Consolidated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" on pages 431 and 31, respectively, and the information therein is derived from "Restated Consolidated Financial Information" on page 282.

(₹ in million, except ratios)

Particulars	Pre-Issue as at September 30, 2024	As adjusted for the Issue*
<b>Total borrowings</b>		
- Non-current borrowings <sup>#</sup>	164,021.91	[●]
- Current maturities of non-current borrowings <sup>#</sup>	6,553.05	
- Current borrowings <sup>#</sup>	-	
<b>Debt (A)</b>	<b>170,574.96</b>	<b>[●]</b>
<b>Equity</b>		
- Equity Share capital <sup>#</sup>	75,000.00	[●]
- Other equity <sup>#^</sup>	6,891.82	[●]
<b>Equity (B)</b>	<b>81,891.82</b>	<b>[●]</b>
<b>Total Debt equity ratio (A/B) (in %)</b>	<b>2.08</b>	<b>[●]</b>

Notes:

\* The corresponding post Issue capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

<sup>#</sup> These terms carry the same meaning as per Schedule III of the Companies Act, 2013, as amended.

<sup>^</sup> Other Equity does not include minority interest (non-controlling interest) amounting to ₹ 918.18 million.



## FINANCIAL INDEBTEDNESS

Our Company and its Material Subsidiary, NTPC Renewable Energy Limited, have availed certain credit facilities in their ordinary course of business for capital expenditure for specific projects, ongoing/new capacity additions, refinancing of loans, general corporate purposes and other business requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with Section 179 and Section 180 of the Companies Act and our Articles of Association. For details regarding the borrowing powers of our Board, see “*Our Management –Borrowing Powers of the Board*” on page 258.

As on September 30, 2024, the aggregated outstanding borrowings of our Company and Material Subsidiary amounted to 1,70,574.96 million on a consolidated basis, and a summary of such borrowings is set forth below:

(₹ in millions)

Category of borrowing	Sanctioned amount	Principal amount outstanding as on September 30, 2024
<b>Borrowings of our Company</b>		
<b>Term loan facilities</b>		
Secured (A1)	-	-
Unsecured (A2)	90,000.00	78,528.10
<b>Total term loan facilities (A=A1+A2)</b>	<b>90,000.00</b>	<b>78,528.10</b>
<b>External Commercial Borrowings (ECBs) (B)</b>	-	-
<b>Debentures (C)</b>	-	-
<b>Total borrowings (A+B+C)</b>	<b>90,000.00</b>	<b>78,528.10</b>
<b>Borrowings of our Subsidiary</b>		
<b>NTPC Renewable Energy Limited</b>		
<b>Term loan facilities</b>		
Secured (A1)	39,620.00	25,320.35
Unsecured (A2)	95,000.00	66,726.51
<b>Total term loan facilities (A=A1+A2)</b>	<b>1,34,620.00</b>	<b>92,046.86</b>
<b>External Commercial Borrowings (ECBs)*</b>		
Secured (B1)	-	-
Unsecured (B2)	8,866.50*	-
<b>External Commercial Borrowings (ECBs) (B=B1+B2)</b>	<b>8,866.50</b>	-
<b>Debentures (C)</b>	-	-
<b>Total borrowings (A+B+C)</b>	<b>1,43,486.50</b>	<b>92,046.86</b>
<b>Green Valley Renewable Energy Limited</b>		
<b>Term loan facilities (A)</b>	-	-
<b>External Commercial Borrowings (ECBs) (B)</b>	-	-
<b>Debentures (C)</b>	-	-
<b>Total borrowings (A+B+C)</b>	-	-

*As certified by PR Mehta & Co, Chartered Accountants, by way of their certificate dated November 12, 2024*

*Note: the above computation does not include interest accrued but not due, and interest accrued and due, if any*

*\*The ECB Loan includes a loan of subsidiary of 15,000 JPY (in millions) which is converted to INR at 1 JPY = 0.5911 INR (RBI Reference Rate as on September 30, 2024)*

Set forth below is a brief summary of our aggregate sanctioned and outstanding borrowings on a consolidated basis (Company and its Subsidiaries) for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.

Name of Lender	Date of sanction of loan	Type of loan	Financial Year ended March 31, 2024				Financial Year ended March 31, 2023				Financial Year ended March 31, 2022*			
			Opening Balance as at April 1, 2023	Closing Balance as at March 31, 2024	Amount repaid during financial year ended March 31, 2024	New loans sanctioned during financial year ended March 31, 2024	Opening Balance as at April 1, 2022	Closing Balance as at March 31, 2023	Amount repaid during the Financial Year ended March 31, 2023	New loans sanctioned during the Financial Year ended March 31, 2023	Opening Balance as at April 1, 2021	Closing Balance as at March 31, 2022	Amount repaid during the Financial Year ended March 31, 2022	New loans sanctioned during the Financial Year ended March 31, 2022
Union Bank of India	19 September 2022	Secured	273.41	2,960.08	0.00	0.00	0.00	273.41	0.00	8,250.00	N.A.	N.A	N.A	N.A
Indian Overseas Bank	12 October 2022	Secured	0.00	1,301.60	0.00	0.00	0.00	0.00	0.00	4,000.00	N.A	N.A	N.A	N.A
UCO Bank	29 December 2021	Secured	1,230.00	4,942.67	0.00	0.00	400.00	1,230.00	0.00	0.00	N.A	N.A	N.A	N.A
Central Bank of India	05 July 2023	Secured	0.00	6,989.08	0.00	21,370.00	0.00	0.00	0.00	0.00	N.A	N.A	N.A	N.A
Union Bank of India	19 September 2022	Unsecured	2,125.00	4,999.98	0.00	0.00	0.00	2,125.00	0.00	5,000.00	N.A	N.A	N.A	N.A
Federal Bank	22 February 2023	Unsecured	0.00	6,757.97	0.00	0.00	0.00	0.00	0.00	10,000.00	N.A	N.A	N.A	N.A
Punjab National Bank	18 October 2023	Unsecured	0.00	16,709.47	0.00	20,000.00	0.00	0.00	0.00	0.00	N.A	N.A	N.A	N.A
HDFC Bank <sup>#</sup>	03 January 2024	Unsecured	0.00	1,675.00	0.00	20,000.00	0.00	0.00	0.00	0.00	N.A	N.A	N.A	N.A
Axis Bank	28 March 2023	Unsecured	20,000.00	19,310.34	689.66	0.00	0.00	20,000.00	0.00	20,000.00	NA	NA	NA	NA
Union Bank of India	28 March 2023	Unsecured	10,550.00	43,183.28	1,551.72	0.00	0.00	10,550.00	0.00	45,000.00	NA	NA	NA	NA

Name of Lender	Date of sanction of loan	Type of loan	Financial Year ended March 31, 2024				Financial Year ended March 31, 2023				Financial Year ended March 31, 2022*			
			Opening Balance as at April 1, 2023	Closing Balance as at March 31, 2024	Amount repaid during financial year ended March 31, 2024	New loans sanctioned during financial year ended March 31, 2024	Opening Balance as at April 1, 2022	Closing Balance as at March 31, 2023	Amount repaid during the Financial Year ended March 31, 2023	New loans sanctioned during the Financial Year ended March 31, 2023	Opening Balance as at April 1, 2021	Closing Balance as at March 31, 2022	Amount repaid during the Financial Year ended March 31, 2022	New loans sanctioned during the Financial Year ended March 31, 2022
Bank of India	29 March 2023	Unsecured	20,000.00	19,137.93	862.07	0.00	0.00	20,000.00	0.00	25,000.00	NA	NA	NA	NA

As certified by PR Mehta & Co, Chartered Accountants, by way of their certificate dated November 12, 2024

\*Based on the Restated Consolidated Financial Information for the six months ended September 30, 2024 and September 30, 2023, and for Fiscal 2024 and Fiscal 2023. In Fiscal 2023, the Restated Consolidated Financial Information is from April 7, 2022, our Company's date of incorporation, and includes only 31 days of operation from February 28, 2023, after the renewable energy assets of NTPC Limited and the 100% shareholding in NTPC Renewable Energy Limited were transferred from NTPC Limited to our Company.

# The rupee term loan has been availed by our Material Subsidiary from HDFC Bank Limited, which is also one of the Book Running Lead Managers appointed in connection with the Issue. However, on account of this, HDFC Bank Limited does not qualify as an associate of our Company in terms of Regulation 21(A)(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations sine the rupee term loan was provided by HDFC Bank Limited to our Material Subsidiary, NTPC Renewable Energy Limited as part of their ordinary course of lending business. For further details, please see- "Objects of the Issue- Details of the Objects of the Net Proceeds- Investment in our wholly owned Subsidiary, NTPC Renewable Energy Limited (NREL) for repayment/prepayment, in full or in part, of certain outstanding borrowings availed by NREL" and "Risk Factors-Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds" on pages 125 and 58 respectively.

For disclosure of borrowings as of September 30, 2024, as per requirements of Schedule III of Companies Act 2013 and related borrowings arrangements entered into by our Company and Material Subsidiary, see “*Restated Consolidated Financial Information*” on page 282.

**Key terms of the borrowings availed by our Company and its Subsidiary:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered by our Company and Material Subsidiary:

**Tenor:** The tenor of the secured rupee term loans typically ranges between ranges from 15 to 20 years while the tenor of our unsecured rupee term loans ranges from 5 to 15 years. The tenor of the ECBs availed is 15 years, however, as of the date of this Red Herring Prospectus, our Material Subsidiary hasn’t drawn any amount from this facility.

**Interest:** The secured rupee term loan from banks carries floating rates of interest ranging from 8.05% to 8.15%. And the unsecured rupee term loan from banks carries floating rates of interest ranging from 7.75% to 8.20%. For ECBs availed by our Material Subsidiary, the interest rate is Tonar plus 0.60%.

**Security:** In terms of our borrowings where security needs to be created, we are typically required to create a first ranking *pari-passu* charge on certain of our moveable and immovable assets excluding current assets; and make certain receipts under prescribed power purchase agreements available to the lenders

Please note that the abovementioned list is indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

**Prepayment:** The facilities availed by our Company and its Subsidiary typically have a prepayment provision which allows for pre-payment of the outstanding loan amount in full or in part. Some of the loans may be subject to payment of prepayment charges at such rate as may be stipulated by the lenders. Further, some loans may be prepaid without any prepayment charges subject to the fulfilment of conditions, including by providing prior notice of up to 30-60 days to the lender.

**Prepayment Penalty:** Certain facilities carry a pre-payment penalty which may be levied at the discretion of the lenders on the pre-paid amount. The pre-payment penalty payable, where stipulated, ranges from 1.00% to 2.00% under certain circumstances on the principal amount of the loan prepaid.

**Repayment:** The secured term loan and working capital facilities availed by our Company and Material Subsidiary are typically repayable in structured quarterly or semi-annual or annual installments after completion of a two year moratorium period. The unsecured term loans and the ECBs are repayable in equal half yearly instalments after completion of a six month moratorium period.

**Restrictive covenants:** Several financing arrangements contain various restrictive conditions and covenants, which restricts initiation of certain corporate actions by our Company. In this regard, the Company is required to take the prior approval of the concerned lender before carrying out such activities, including for:

- a. effecting any amalgamation, merger, reconstruction, takeover, consolidation or buyback;
- b. utilising proceeds of the facilities towards purposes other than as stipulated in the loan agreements;
- c. winding-up/liquidating or agree/authorize to settle any litigation having an adverse effect;
- d. changing the management structure of our Company;
- e. making any alteration in the Memorandum of Association or Articles of Association; and
- f. undertaking or permitting any reorganization, amalgamation, reconstruction, takeover, substantial change of ownership or shareholding or any other scheme of compromise or arrangement effecting its present constitution;

**Events of Default:** In terms of borrowing arrangements for the facilities availed by our Company and its Subsidiary, the occurrence of any of the following, among others, constitutes an event of default:

- a. non- payment or default of any amount including the principal, interest or other charges due by the Company to the lender;
- b. proceedings against the Company under bankruptcy or insolvency law;
- c. breach of covenants and/or conditions and/or provisions as specified in the loan agreements;
- d. effecting any change in our nature of business which threatens to cease the operations;
- e. breach of any representation, warranty, declaration, covenant or undertaking furnished by the company under the loan agreements; or
- f. if it is or becomes unlawful for the borrower or the guarantor to perform any of its obligations under the loan agreement or guarantee agreement or for the lender to maintain or fund the loan;

**Consequences of occurrence of events of default:** In terms of the borrowing arrangements for the loans availed by the company, the following, among others, are the consequences of occurrence of events of default, our lenders may:

- a. accelerate the repayment of the loan;
- b. re-price the loan;
- c. suspend or cancel any disbursement;
- d. declare the amount outstanding as immediately due and payable or payable on demand;
- e. recover the entire dues of the loan under the respective agreements;
- f. settle the indebtedness owed to lender by liquidating the deposits and adjusting against the loan;
- g. exercise any other right or remedies as available under applicable laws;
- h. enforce and realise the guarantees furnished; and
- i. reimbursement of losses and expenses incurred by the lender.

The abovementioned list is indicative in nature and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company and Material Subsidiary with its respective lenders, and the same may lead to consequences other than those stated above. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Issue. For further details of financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors- We have incurred substantial indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.*” on page 43.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct and indirect taxes; and (iv) other proceedings which have been determined to be material pursuant to the policy of materiality for identification of material litigation involving our Company, Directors, Promoters and/or our Subsidiaries (“**Relevant Parties**” and such policy, “**Materiality Policy**”). Further, except as disclosed in this section, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years. Further, except as disclosed in this section, there are no pending litigation matters involving our Group Companies which have a material impact on our Company or the Offer, as applicable. Further, as on the date of this Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision.

For the purpose of (iv) above, our Board in its meeting held on September 9, 2024, has considered and adopted the Materiality Policy. In terms of the Materiality Policy, the following shall be considered material litigation for the purposes of disclosure in this Red Herring Prospectus:

- a) the monetary amount of claim to the extent quantifiable, in any such pending proceeding by or against the entity or person is equivalent to or in excess of: a) two percent of turnover, for the most recent financial year as per the restated consolidated financial statements; or (b) two percent of net worth, as at the end of the most recent financial year as per the restated consolidated financial statements; or (c) five percent of the average of absolute value of profit or loss after tax, for the last three financial years as per the Restated Consolidated Financial Information, whichever is lower. Accordingly, since our Company was incorporated on April 2, 2022, the restated consolidated financial statements are not available for Fiscal 2022 and for the purpose of disclosure requirements for the Issue, restated consolidated financial statements for Fiscal 2024 and Fiscal 2023 have been considered for adopting the Materiality Threshold in relation to disclosing all outstanding litigation involving the Relevant Parties in which the aggregate monetary amount of claim by or against the Relevant Parties (individually or in the aggregate) in any such pending litigation or arbitration proceeding or taxation proceeding is equivalent to or in excess of 5% of the average consolidated profit after tax as per the restated consolidated financial statements for the Fiscal 2024 and Fiscal 2023, would be considered as ‘material’ for disclosure in this Red Herring Prospectus. Based on the above, ₹ 128.99 million, which is 5% of the average consolidated profit after tax of our Company as per the Restated Consolidated Financial Information of our Company for the Fiscal 2024 and Fiscal 2023, has been considered as the materiality threshold;
- b) any pending litigations involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed ₹128.99 million; and
- c) all outstanding litigation which may not meet the monetary threshold, or wherein a monetary liability is not quantifiable, but where an adverse outcome would materially and adversely affect the business, operations, performance, prospects, financial position, or reputation of our Company.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, in terms of our Materiality Policy, outstanding dues to any creditor of our Company having a monetary value which is equal to or exceeds 5% of the total outstanding dues (i.e., trade payables) to creditors of our Company as on the date of the latest Restated Consolidated Financial Information of our Company shall be considered as ‘material’. The total outstanding dues to creditors as on September 30, 2024, based on the Restated Consolidated Financial Information of our Company was ₹ 918.72 million. Accordingly, any outstanding dues to creditors exceeding ₹ 45.94 million which is 5% of total outstanding dues to creditors of our Company as on September 30, 2024, based on the Restated Consolidated Financial Information of our Company, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”) and other creditors, the disclosure

will be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.

For the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those issued by statutory / regulatory / tax authorities or notices threatening criminal action) shall not, unless otherwise decided by the Board of the Company, be considered as litigation until such time that the Relevant Parties are impleaded as defendants in litigation before any judicial/arbitral forum.

We have disclosed matters relating to direct and indirect taxes involving the Relevant Parties (as applicable) in a consolidated manner giving details of number of cases and total amount involved in such claims and details of such matters wherein the amount involved exceeds the materiality threshold specified above.

Additionally, the litigation disclosures pertaining to one of our Promoter, namely NTPC Limited, a listed entity, have been disclosed basis the existing materiality policy of NTPC Limited, wherein: (i) all outstanding criminal litigation which includes cases filed by and against NTPC Limited; (ii) all outstanding material civil litigation (which includes cases filed by and against NTPC Limited), where the amount involved exceeds ₹ 9,235.70 million i.e., 5% of the average of the consolidated profit after tax for the last three fiscals, based on the Audited Consolidated Financial Statements for the last three years of NTPC Limited; (iii) all outstanding actions (including show-cause notices) initiated by any regulatory and/or statutory authorities such as SEBI, the CERC or such similar authorities or Stock Exchanges; (iv) a consolidated disclosure of all outstanding tax proceedings (including show cause notices); and (v) any other litigation, which may be considered material for the purposes of disclosure.

All terms defined in a particular litigation disclosure below correspond to that particular litigation only.

### **Litigation involving our Company**

#### ***Criminal litigation***

Nil

#### ***Material civil litigation***

Nil

#### ***Actions by statutory or regulatory authorities***

1. Our Company (the “**Petitioner**”) filed a petition bearing No. 219/MP/2023 before the Hon’ble Central Electricity Regulatory Commission, New Delhi (the “**Commission**” or “**CERC**”) against Telangana State Southern Power Distribution Company Limited (the “**Respondent No.1**”) and others (collectively, the “**Respondents**”) under section 79 (1) (a) of the Electricity Act, 2003 read with Article 10 of the Power Usage Agreements executed between NTPC Limited and Telangana State Distribution Companies Limited, seeking compensation due to increase in costs on account of change in rate of GST as well as increase in basic custom duty amounting to a Change in Law event with respect to the 7 Solar PV Power Project having Project capacity of totalling to 1616 MW under CPSU scheme Phase-II Tranche-I & II and the tariff adopted by CERC vide order dated December 13, 2021 in petition no. 174/AT/2021.

On March 5, 2019, the Ministry of New & Renewable Energy (“**MNRE**”) issued Central Public Sector Undertaking Scheme ( “**CPSU Scheme**”) Phase-II for setting up of 12000 MW Grid-Connected Solar Photovoltaic Power Projects by the Government Producers with viability Gap Funding support for self-use or use by Government/Government Entities either directly or through Distribution Companies vide Guideline No. 302/4/2017-Grid Solar dated March 5, 2019 including subsequent amendments and clarification thereof. Thereafter, the Solar Energy Corporation of India Limited (“**SECI**”) issued Requests for Selection (“**Rfs-1**”) for setting up of 2000 MW grid connected SPVP in India (“**Tranche-I**”) under CPSU Scheme. On August 1, 2019, SECI issued Rfs (“**Rfs-2**”) for selection of Solar power

Developers for setting up of 1500 MW Grid (Including Mini and Micro Grid) connected SPVP anywhere in India on “Build Own Operate” (BO-O) (“**Tranche -II**”) under CPSU Scheme.

On August 20, 2019, the result of bidding process under Tranche-I was declared by Respondent No. 1 and NTPC was successfully allocated 769 MW out of 2000 MW under Tranche-I. On November 8, 2019, result of bidding process under Tranche-II was declared by Respondent No. 1, NTPC was successfully allocated 923 MW out of 1500 MW under Tranche-II. Consequentially, NTPC entered into several Power Usage Agreements (“**PUAs**”) with Respondent No.1 & 2 for sale of Solar Photovoltaic Power by the Petitioner to the Respondent No. 1 and 2 and was setting up 1692 MW Solar PV Power station at various locations for onwards sale of power to the Respondents under the MNRE CPSU Scheme dated March 5, 2019. Due to Covid-19 pandemic, the supplies and site progress were severely affected. Considering the sever pandemic situation, MNRE has also issued OMs dated August 13, 2020, and June 29, 2021, allowing time extension of 5 months and 76 days respectively for RE projects.

MNRE vide its OM dated June 2, 2021, has given further time extension of 6 months due to temporary shortage of domestically manufactured solar PV cells. Further, due to supply chain disruption, MNRE vide its letter dated December 27, 2022, further extended the scheduled commissioning date up to September 30, 2024. Accordingly, SECI granted time extension in Schedule Commissioning Date. Our Company had filed Petition (174/AT/2021) under Section 63 of the Electricity Act, 2003 for adoption of usage charges for 1692 MW solar photovoltaic power projects (Tranche-I & II) connected to inter-State Transmission System (“**ISTS**”). Commission deemed it fit to adopt the ceiling. Hon’ble Commission vide its order dated December 13, 2021, in petition no.174/AT/2021 decided upon usage charge of ₹ 3.50/kWh under Section 63 of the Act in respect of 1692 MW capacity under Tranche-I and Tranche-II in respect of the Petitioner.

At the time of signing of PUA, the Basic Custom Duty (“**BCD**”) applicable on the solar inverters was at the rate of 5%. However, the Ministry of Finance, Government of India, vide Notification No. D.O.F. No. 334/02/2020-TRU dated February 1, 2020, increased the rate of BCD from the earlier rate of 5 % to 20% and, additionally, at the time of signing of PUA, GST at the rate of 5% was levied (i.e., 2.5% of CGST and 2.5% of SGST) on renewable energy devices and parts. However, the Ministry of Finance, Government of India, vide Notification No.8/2021-Integrated Tax (Rate) dated September 30, 2021, increased the GST rates for renewable energy devices and parts from the earlier rate of 5% to 12%.

In light of the foregoing and as provided under the PUA, our Company on July 19, 2022, issued a change in law notice to the Respondents to highlighting the aforesaid Change in Law event and requesting it to compensate the Petitioner, amount of ₹ 1,849.50 million (approximately) upwards on the total cost of project, on account of such change in law event. Further, NTPC has sent reminder letter to the Respondent No 1-3 on November 4, 2022, and notice for filing a petition for a relief under change in law on November 16, 2022. The Petitioner, through the petition is thus, seeking a declaration that change in the applicable GST rate on September 30, 2021, brought about by the Ministry of Finance, Government of India’s Notification No.8/2021-Integrated Tax (Rate) dated September 30, 2021 amounts to Change in Law event in terms of the PUA; a declaration that change in the applicable rate of BCD brought about by the Ministry of Finance, Government of India’s Notification D.O.F. No.334/02/2020-TRU dated February 1, 2020 amounts to Change in Law event in terms of the PUA; compensation to reconstitute the Petitioner to the same economic position, as if the aforesaid Change in Law events had not taken place. A reply on behalf of the Respondents was filed on January 3, 2024. A Rejoinder was then filed by the Petitioner on January 17, 2024. The matter is currently pending.

2. Our Company has filed a petition bearing no. 319/MP/2023 dated August 4, 2023 before the Hon’ble Central Electricity Regulatory Commission, New Delhi (“**Commission**” or “**CERC**”) against the Power Grid Corporation of India Limited (“**Respondent No.1**”) and four other parties (collectively “**Respondents**”) under section 79 (1)(a), (c) & (f) of the Electricity Act, 2003 read with regulation 13(8) of the CERC (Sharing of Interstate Transmission Charges and Losses) Regulations, 2020 and Regulation 11 of the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2022. Our Company won 1692 MW Solar PV projects under the Central Public Sector Undertaking Scheme



(“**CPSU Scheme**”) Phase-II Tranche-I & II and accordingly signed Power Usage Agreements (“**PUAs**”) with Telangana Distribution Companies (“**DISCOMs**”), out of which 1090 MW solar capacity is being developed in Rajasthan.

PUA entered into between the Petitioner and the Telangana DISCOMs, Article 3 provides for provisions related to the Transmission / Wheeling of Electricity. Thereby, responsibility of obtaining Long Term Access (“**LTA**”) along with all other clearances, charges, etc. beyond the metering point/delivery point/interconnection point including ISTS/STU charges & losses, cross subsidy charges, etc., shall be of the power user, i.e., the Telangana DISCOMs. On July 22, 2022, the Petitioner vide its Letter addressed to Telangana DISCOMs inter alia informed that the Projects have been completed by the Petitioner and are ready to commission, however, since the LTA is yet to operationalized, the Petitioner has no choice but to commission its projects through Short Term Open Access (“**STOA**”) under CPSU Scheme Phase-II Tranche I & II. The Petitioner being a prudent generator even requested Telangana DISCOMs to take Medium Term Open Access (“**MTOA**”) for its projects, since the Petitioner is facing curtailment of solar power under STOA and STOA did not provide for intraday revision in scheduling of power from the project. Due the delay in procuring LTA, the Petitioner faced issues related to curtailment of power at many instances and incurred financial losses. Consequently, our Company filed petition in CERC against the Respondents for recovering yearly transmission charges; seeking compensation towards financial loss due to non-operationalisation of LTA and DSM penalties and other related matters. Powergrid Narela Transmission Limited, Powergrid Bhadla Transmission Limited and Powergrid Aligarh Sikar Transmission Limited filed their reply on June 10, 2024. Respondent No. 1 filed their reply on June 14, 2024. Respondents 3,4 and 5 filed their reply on May 9, 2024. Our Company filed two rejoinders to the replies dated June 10, 2024, and June 14, 2024, both on June 27, 2024. The matter is currently pending.

3. Our Company (the “**Petitioner**”) filed a Petition bearing No. 25/MP/2024 before the Hon’ble Central Electricity Regulatory Commission, New Delhi (the “**Commission**” of “**CERC**”) dated December 30, 2023 against Distribution Companies based in Telangana (the “**DISCOMs**”) under section 79(1)(a) & (f) of the Electricity Act, 2003 read with Regulation 111 Of the CERC (Conduct Of Business) Regulations, 1999 and Article 10 of The Power Usage Agreements (the “**PUAs**”) seeking an in-principle declaration of the Report namely ‘*Report of the Working Group in respect of Data Submission Procedure and Verification of Compliance to CEA Regulation on Technical Standards for Connectivity to the Grid by RE Generators*’ (the “**Working Group Report, 2022**”) issued by the Central Electricity Authority (the “**CEA**”) as a Change In Law event with respect to specified Projects of the Petitioner. Before the issuance of the Working Group Report, 2022, the Petitioner envisioned and designed the project based on the prevailing CEA Regulations i.e., all equipment of the plant were designed to withstand temperature extremes and the Solar plants were designed in such a way that the plants can deliver dynamically varying reactive power support so as to maintain power factor within the limits of 0.95 lagging to 0.95 leading at Point of Interconnection (the “**POI**”) through regulation of active power. However, the process to be followed to assess the operating temperature of the Solar plant as per Working Group Report, 2022 at which the Petitioner is being asked to demonstrate dynamic reactive power capability while maintaining rated active power output at POI is a new requirement and earlier there was no such requirement as per Central Electricity Authority (Technical Standards for Connectivity to the Grid) (Amendment) Regulations, 2013. Moreover, these requirements call for the installation of additional equipment thus, eventually causing a change in the configuration of the project. Therefore, the Petitioner approached the Commission praying to declare the Working Group Report, 2022 issued by the CEA as a Change in Law event in terms of Article 10 of the PUAs; direct the respondents to reimburse the amount as and when incurred due to change in law along with carrying cost and; pass such other order/orders, as may be deemed fit and proper in the facts and circumstances of the case. Our Company thereafter also filed an additional affidavit in compliance with Record of Proceedings dated April 4, 2024. The matter is currently pending.
4. Our Company ( “**Petitioner**”) filed a Petition bearing No. 128/GT/2024 before the Hon’ble Central Electricity Regulatory Commission, New Delhi ( “**Commission**” of “**CERC**”) dated February 22, 2024 against the Uttar Pradesh Power Corporation Ltd. (“**UPPCL**”) and Uttar Pradesh New and Renewable

Energy Development Agency (“UPNEDA”) (“**Respondent No. 1**” and “**Respondent No.2**” respectively and, collectively, “**Respondents**”) under Section 62 and 79 (1) (a) of the Electricity Act, 2003 read with Chapter-V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 2023 along with Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2020 for determination of project specific levelized tariff for 40 MW solar photo voltaic plants at Ayodhya, Uttar Pradesh.

A Memorandum of Understanding (the “**MoU**”) was signed between the Government of Uttar Pradesh (hereinafter referred as the “**GoUP**”) and the Petitioner on January 17, 2023 to *inter alia* set up solar projects of 300 MW for solarization of Ayodhya city. Pursuant to the MoU, the GoUP, in its Cabinet meeting dated August 1, 2023, decided to allot land up to 66.812 hectares on lease at ₹ 1 per acre per year for 30 years to the Petitioner at Village Rampur Halwara Manjga and Village Sarairasi Majha, Haveli Awadh Pargana, Tehsil Sadar, Uttar Pradesh. The nodal agency was to be Respondent No.2. The land was proposed to be allotted for development of solar power plant of 40MW capacity by the Petitioner. The power from the project is to be purchased by Respondent No. 1 for 25 years. The tariff was to be decided on the cost-plus basis. For the purposes of tariff determination, the Petitioner submitted requisite documentation. While calculating the tariff for the project, Regulation 9 (Tariff Structure), Regulation 10 (Tariff Design), Chapter 2 (Financial Principles) and Chapter 7 (Parameters for Solar PV Projects, Solar Thermal Projects and Floating Solar Projects) of the RE Tariff Regulation 2020 were considered. Accordingly, various parameters namely capital cost, working capital, ROE, interest rate, interest on working capital, debt equity ratio, APC, CUF, O&M expenses, applicable tax rate etc. were considered for tariff calculation. In the estimates, transmission line cost is considered as ₹ 59.50 million and cost for the transmission bay as ₹ 30.50 million. However, Uttar Pradesh Power Transmission Corporation Limited (“**UPPTCL**”) vide its letter dated October 3, 2023, has provided estimated cost for transmission line as ₹ 178.30 million and cost for 132 kV bay as ₹ 83.90 million. Our Company vide its service purchase order awarded the same to UPPTCL. Accordingly total project cost considered for the tariff determination came to be ₹ 2,098.00 million.

Through this petition, the Company prayed to the Commission to approve/determine the levelized tariff of the 40 MW Solar PV Project at Ayodhya; approve the deviation in degradation factor, additional transmission system availability and tax regime applicable to the Petitioner; allow the recovery of the differential between the tariff charged to the Petitioner on auxiliary consumption and PPA tariff; allow recovery of filing fees; allow billing and recovery of levies, taxes, duties, etc levied by various authorities on the Petitioner and pass such other order/orders, as may be deemed fit and proper in the facts and circumstances of the case. Hearing for admission was held on July 11, 2024, and an order was passed allowing the Petitioner to amend the petition by September 20, 2024, and the Respondents to file a reply by October 18, 2024, and for the Petitioner to file a rejoinder, if any by November 8, 2024. The order stated that listing for hearing will be determined upon completion of pleadings by the parties and the matter is pending.

5. Rajasthan Urja Vikas and IT Services Limited along with three others (the “**Appellants**”) filed an appeal bearing no. 151 of 2024 along with IA No. 380 of 2024 dated February 28, 2024, before the Appellate Tribunal for Electricity at New Delhi (the “**Tribunal**”) under Section 111 of the Electricity Act, 2003. On March 31, 2016, our Company (the “**Respondent No. 2**”) executed a Power Purchase Agreement (the “**PPA**”) with Jaipur Vidyut Vitran Nigam Limited (the “**Appellant No.2**”) and Jodhpur Vidyut Vitran Nigam Limited (the “**Appellant No.4**”) for selling of solar power from its projects. On September 14, 2017, the State Commission notified the Rajasthan Electricity Regulatory Commission Forecasting, Scheduling, Deviation Settlement and Related Matters of Solar and Wind Generation Sources Regulation, 2017 (the “**DSM Regulations, 2017**”). On February 6, 2020, Respondent No.2 raised invoices on the Appellants which included fees towards reimbursement of forecasting charges, as alleged to have been paid by the Respondent No.2 to the Qualified Coordinating Agency (the “**QCA**”). The Appellant thereafter wrote multiple letters to the Respondent No.2 wherein the Appellants denied the liability of payment of the forecasting charges as raised incorrectly by the Respondent No.2.

Our Company then, filed a petition bearing no. 190/MP/2022 before the Central Electricity Regulatory Commission, New Delhi (the “**Commission**” or “**CERC**” or “**Respondent No.1**”) under Section 79(1)(a)

and (f) seeking declaration of the DSM Regulations, 2017, as a change in law event and reimbursement of the charges paid to the QCA. Respondent No.1 passed order dated January 15, 2024 (the “**Order**”) holding that coming into force of the DSM Regulations, 2017 qualifies as a Change in Law event and that the Appellants were liable to reimburse the scheduling and forecasting charges, as paid by the Respondent No. 2 to the QCA. On January 30, 2024, our Company again raised an invoice along with late payment surcharge on the Appellants seeking reimbursement of the forecasting and scheduling charges in terms of the Order. Thus, the Appellants filed the appeal praying for the Tribunal to allow the appeal and set aside the Order to the extent challenged; to direct that Respondent No. 2 is not entitled to reimbursement of the charges as paid by it to the QCA from the Appellants and pass such other order/orders, as may be deemed fit and proper in the facts and circumstances of the case. The IA No. 380 of 2024 for a stay order, has been rejected by the Tribunal. The Main appeal (APL-151/2024) has been included in the list of short matters. The matter is currently pending.

6. Rajasthan Urja Vikas and IT Services Limited (the “**RUVITL**”) along with three others (the “**Appellants**”) filed an appeal bearing DFR No. 145 of 2024 along with IA No. 419 of 2024 and 420 of 2024 dated March 1, 2024, before the Appellate Tribunal for Electricity at New Delhi (the “**Tribunal**”) under Section 111 of the Electricity Act, 2003. On March 22, 2019, Solar Energy Corporation of India Limited (the “**SECI**”) issued request for selection (the “**RfS**”) to select Solar Power Developers for setting up of 750 MW grid connected Solar Photovoltaic Power Projects in Rajasthan Tranche-II. Our Company (the “**Respondent No.2**”) submitted its bid in response to the aforesaid RfS, on June 4, 2019. On September 12, 2019, SECI and RUVITL entered into a power sale agreement. Our Company, thereafter, entered into a power purchase agreement (“**PPA**”) with SECI dated October 25, 2019, for supply of 160 MW for onward sale to buying utilities in the State of Rajasthan. The Ministry of Finance, on July 29, 2020, issued a ‘2020 SGD Notification’ on the import of solar cells and modules imported from China PR, Thailand, and Vietnam, whether or not assembled in modules or panels, which came into force on July 30, 2020. On September 21, 2021, our Company filed a petition bearing No. 206/MP/2021 before the Central Electricity Regulatory Commission, New Delhi (the “**Commission**” or “**CERC**” or “**Respondent No.1**”) seeking in-principle approval of the imposition of 2020 SGD Notification as a Change in Law event under Article 12 of the PPA. Our Company had commissioned 80 MW capacity of its Project as well as the remaining 80 MW capacity of its project on October 22, 2021, and March 25, 2022, respectively. Our Company prayed that the 2020 SGD Notification may be declared as a Change in Law event under Article 12 of the PPA, which had led to an increase in the expenditure for the project. Further, it was submitted that an earlier 2018 SGD Notification dated July 30, 2018, was valid only for a period of two years i.e., till July 29, 2020. A fresh 2020 SGD Notification was issued imposing safeguard duty on the import of solar cells and modules at the prescribed rates. The 2020 SGD Notification is an event of Change in Law in terms of the PPA as it has imposed SGD after the bid submission date, i.e., June 4, 2019, and such imposition was not factored by our Company at the time of bid submission. Respondent No. 1, on January 1, 2024, passed an order in favour of our Company declaring that the 2020 SGD Notification is a Change in Law event in terms of Article 12 of the PPA dated October 25, 2019, and that our Company is entitled to compensation on account of Change in Law as per the terms of Article 12 of the PPA due to the impugned notifications viz. 2020 SGD Notification. Aggrieved by the decision, the Appellants filed an appeal and two IAs praying to the Tribunal to allow the appeal and set aside the order dated January 1, 2024 passed by the CERC in petition No. 206/MP/2021 to the extent challenged in the present appeal and further to direct that the additional compensation towards carrying cost-COD and post-COD shall not be enforced and shall be subject to further orders of the Hon'ble Supreme Court of India in Civil Appeal No. 8880 of 2022. An order of May 9, 2024, passed by the Tribunal in the case granted the respondents 8 weeks to file their replies and then for the Appellants to file their rejoinder, if any, four weeks thereafter. Our Company filed its reply on July 1, 2024. The Interim Application for a stay order, has been rejected by the Tribunal. The Main appeal has been included in the list of short matters. The matter is currently pending.

7. The present petition was filed by NTPC Green Energy Limited (“**Petitioner**”) before the Central Electricity Regulatory Commission, New Delhi (“**Commission**”) in view of the disputes that arose

between the Petitioner and Madhya Pradesh Power Management Company Limited (“**MPPMCL**” / “**Respondent**”) in respect of the applicable tariff rate for FY 2012-13 and 2013-14 under a Power Purchase Agreement (the “**PPA**”) dated December 28, 2011 entered between with Appellant for setting up a 50 MV solar PV power station at Rajgarh, Madhya Pradesh on the terms and conditions contained in the PPA. The Ministry of Power, Government of India vide its letter dated March 24, 2014 allocated the entire capacity of 50 MW to MPPMCL. Regulation 8(2) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff determination from Renewable Energy Sources) Regulation, 2012 (RE Regulation, 2012) provides that the generic tariff determined for solar PV projects based on the capital cost and other norms applicable for any year of the control period shall apply for such projects during next year.

The Commission vide its orders dated March 27, 2012 and February 28, 2013 in Petition Nos. 35/2012 (Suo-moto) and 243/SM/2012 respectively determined the generic tariff of the Solar Thermal Power Project for the financial years 2012-13 and 2013-14 60% of the project was commissioned during the year 2013-14 and balance 40% of the project was commissioned during the first month of the year 2014-15. The Commission thus, disposing petition no. 160/MP/2015, passed an order dated March 31, 2017 (“**Order**”), directed that granting the tariff of the year 2014-15 to the Petitioner will result in undue hardship as the Petitioner has made efforts to execute the project during the year 2013-14 which spilled over to the first month of 2014-15. In order to balance the interest of the Petitioner as well as the beneficiary, the Commission directed that the generic tariff for the year of 2013-14 i.e., @7.87 (less the benefit of accelerated depreciation) shall be applicable. The MPPCL challenged the Order, alleging it to be contrary to the CERC, RE Regulations, 2012 which do not permit grant of previous year tariff to the current year when the commission of the project was not accomplished in accordance with the PPA. MPPCL claimed that they were entitled to higher tariff and that the Order is perverse and deserves to be set aside. The Appellate Tribunal allowed the appeal and remanded the matter back to the Commission to hear the petition no. 160/MP/2015 afresh and pass the order expeditiously but not later than three months. The matter is pending with CERC.

8. Kaliraj (“**Petitioner**”) filed a writ petition before the Madurai Bench of the Madra High Court (“**Court**”) against the Ministry of New and Renewable Energy (“**Respondent No. 1**”), NTPC Limited (“**Respondent No. 2**”) and Ors. Following a successful bidding process, Respondent No. 2 was awarded the 230 MW Ettayapuram solar PV project (“**Project**”) under the CPSU Scheme Phase – II Tranche-I of the Respondent No. 1. Respondent No. 2 sub-contracted development of the Project to L&T. The Petitioner alleged that L&T unlawfully encroached and laid the high-tension power line on agricultural land owned by father of the Petitioner. Consequently, the Petitioner has filed this writ of mandamus seeking a directive from the Court to order the Respondents to remove the high-tension power line laid by L&T during the development of the Project and to grant adequate compensation. The matter is currently pending.

***Other pending material litigation***

Nil

**Litigation involving our Subsidiaries**

***Criminal Litigation***

Nil

***Material civil litigation***

Nil

### *Actions taken by regulatory and statutory authorities*

1. Our subsidiary, NTPC Renewable Energy Limited (the “**Petitioner**”) has filed a petition against the Solar Electricity Corporation of India Limited (the “**Respondent**”), before the Central Electricity Regulatory Commission, New Delhi (the “**CERC**”), under Section 79 (1) (a) and (f) of the Electricity Act, 2003, read with Regulation 111 of the CERC (Conduct Of Business) Regulations, 1999, for seeking extension of Financial Closure (the “**FC**”) and Scheduled Commercial Operation Date (the “**SCOD**”) of the 500 MW solar power project at Bhadla, Jodhpur District, Rajasthan (the “**Bhadla Project**”), on account of delay in allotment of land by the Government of Rajasthan. FC and SCOD are important milestones for the purpose of implementing a solar power project. While FC requires the developers to secure adequate funds for acquiring project land, obtain clearances and permits for development of a project, SCOD ensures timely commissioning of a project. The Petitioner had made its best efforts to achieve the milestones within the timelines as envisaged under the power purchase agreement June 1, 2022, however, the delay in allotment of land by the Government of Rajasthan had a cascading effect on civil, erection and installation work for completion of the activities of the Bhadla Project. The said event was beyond the reasonable control of the Petitioner and hence the present petition was filed for seeking extension for achieving FC and SCOD of the Bhadla Project. The matter is currently pending.
2. Our Promoter, NTPC Limited and Anr. (the “**Petitioners**”) filed a petition before the Central Electricity Regulatory Commission, New Delhi (the “**CERC**”) against Indian Renewable Energy Development Agency Limited and Ors. (the “**Respondents**”) under Section 63 and 79(1)(a) of the Electricity Act, 2003. The petition seeks the adoption of usage charges for a 1990 MW solar photovoltaic power station connected to the inter-state transmission system. As a generating company, the Petitioners participated in the bidding process conducted by the Respondents and were declared successful for setting up the 1990 MW power station. Following the bidding process, the Petitioners entered into Power Usage Agreements (the “**PUAs**”) with the Respondents. Section 63 of the Electricity Act, 2003, unequivocally delineates the authority of the appropriate commission to adopt tariffs determined through a transparent bidding process, as per the guidelines issued by the Central Government. Additionally, Section 79(1)(a) provides that the CERC has the power to regulate the tariff of generating companies owned or controlled by the Central Government. In this context, the Petitioners sought to obtain the necessary approval for the bidding process and approve the PUAs, including the price at which electricity should be procured by or on behalf of the distribution licensee. The application is currently pending.
3. Our subsidiary, NTPC Renewable Energy Limited and Ors. (the “**Petitioners**”) filed a petition before the Central Electricity Regulatory Commission, New Delhi (the “**CERC**”) against Rewa Ultra Mega Solar Limited and Ors. (the “**Respondents**”) under 79 (1) (f) of the Electricity Act, 2003. The Respondents issued a Request for Proposal (RfP) on January 26, 2020, for a 450 MW grid-connected solar photovoltaic power station in Shajapur, Madhya Pradesh. Following a successful bidding process, the Petitioners were awarded capacities of 105 MW and 220 MW at tariffs of ₹ 2.35 and ₹ 2.33 per unit, respectively. The Power Purchase Agreements (the “**PPAs**”) and Implementation Support Agreements (the “**ISAs**”) were signed on November 25, 2021, with a 25-year duration from the Scheduled Commercial Operation Date (the “**SCOD**”). The CERC adopted the tariff and additionally granted the Petitioners the right to approach the Commission for changes in law. The initial SCOD was June 25, 2023, but due to delays in tariff adoption and land provision, it was extended to September 8, 2023. Further delays were caused by supply constraints in solar PV modules, recognized by the Ministry of New and Renewable Energy, which extended the SCOD to March 31, 2024. However, the Respondent limited the extension to February 5, 2024. Further, the Petitioner cited increased GST on renewable energy devices and new technical standards requiring additional equipment as changes in law. The Petitioner sought to declare the increase in GST and the amendment to Central Electricity Authority Regulations as changes in law under Article 17 of the PPAs, with compensation for financial impacts. It also seeks an extension of the SCOD due to delays in land allotment and other permissions, which were beyond reasonable control. The matter is currently pending.
4. Our subsidiary, NTPC Renewable Energy Limited (the “**Petitioner**”) has filed a review petition before the Gujarat Electricity Regulatory Commission, Gandhinagar (the “**GERC**”) against Gujarat Urja Vikas Nigam Limited (the “**Respondent**”) under Section 94 (1)(f) read with 86(1)(b) & (e) of the Electricity

Act, 2003 (“**Act**”). The petition seeks a review of the order dated January 8, 2021, passed in petition No. 1923/2021, which had adopted the bidding process carried out by the Respondent under Section 63 of the Act. The petition cites that the Draft Power Purchase Agreement (the “**PPA**”) considered by GERC was materially different from the Guidelines for Tariff Based Competitive Bidding Process dated August 3, 2017, notified by the Ministry of Power under Section 63 of the Act (the “**Bidding Guidelines**”). The Petitioner claims that these deviations were significant and that no prior approval for such deviations was obtained from the GERC, thus violating Clause 3.1.1(c) and Clause 18 of the Bidding Guidelines. The petition also highlights that the increased GST rate from 5% to 12% imposed on renewable energy devices and parts significantly impact project costs, yet the PPA does not permit restitution for this Change in Law. The Petitioner argues this omission violates the National Tariff Policy and Bidding Guidelines, rendering the project unviable and unjustly treating it differently from other developers. The order dated January 8, 2021, is said to have sanctioned these deviations, particularly regarding the change in law provisions, without adhering to the process specified under Section 63 of the Act. Thus, the review petition requests the GERC to revisit its order and direct the Respondent to amend the PPA to conform to Clause 5.7 of the Bidding Guidelines, ensuring compliance with the established regulatory framework. The matter is currently pending.

5. Our subsidiary NTPC Renewable Energy Limited (the “**Petitioner**”) filed a review petition before the Gujarat Electricity Regulatory Commission, Gandhinagar (the “**GERC**”) against Gujarat Urja Vikas Nigam Limited (the “**Respondent**”) under Section 94 (1)(f) read with 86(1)(b) and (e) of the Electricity Act, 2003 (“**Act**”). The petition seeks a review of the order dated May 13, 2021, passed in petition No. 1963/2021, which had adopted the bidding process carried out by the Respondent under Section 63 of the Act. This petition cites that the Draft Power Purchase Agreement (the “**PPA**”) considered by GERC was materially different from the Guidelines for Tariff Based Competitive Bidding Process dated August 3, 2017, notified by the Ministry of Power under Section 63 of the Act (the “**Bidding Guidelines**”). The Petitioner claims that these deviations were significant and that no prior approval for such deviations was obtained from the Commission, thus violating Clause 3.1.1(c) and Clause 18 of the Bidding Guidelines. The petition highlights that the increased GST rate from 5% to 12% imposed on renewable energy devices and parts significantly impact project costs, yet the PPA does not permit restitution for this Change in Law. The Petitioner argues this omission violates the National Tariff Policy and Bidding Guidelines, rendering the project unviable and unjustly treating it differently from other developers. The order dated May 13, 2021, is said to have sanctioned these deviations, particularly regarding the change in law provisions, without adhering to the process specified under Section 63 of the Act. Thus, the review petition requests the GERC to revisit its order and direct the Respondent to amend the PPA to conform to Clause 5.7 of the Bidding Guidelines, ensuring compliance with the established regulatory framework. The matter is currently pending.
6. Our subsidiary NTPC Renewable Energy Limited (“**Appellant**”) filed an appeal before the Appellate Tribunal for Electricity (“**Tribunal**”) against Rajasthan Electricity Regulatory Commission and Ors. (“**Respondents**”) under Section 111 of the Electricity Act, 2003 (“**Act**”). This appeal challenges the Respondents’ order dated August 31, 2022 (“**Impugned Order**”) in the matter of petition no. RERC 1905/2021 filed by Rajasthan Urja Vikas Nigam Limited (the “**RUVNL**”), which sought the adoption of tariff for 1070 MW solar PV power project under Section 63 of the Act.

The Impugned Order was passed pursuant to the order dated January 28, 2022 passed by this Tribunal in Appeal No. 9 of 2022 filed by Appellant by way of which the Respondents was directed to adjudicate upon the remaining Change in Law reliefs and protected the Appellant’s right to challenge the Respondents’ findings regarding the denial of judgment passed by the Hon’ble Supreme Court of India in M.K. Ranjitsingh & Ors. vs Union of India & Ors. (“**GIB Judgment**”). In the Impugned Order, the Respondents recognized Article 12.1.3 of the Power Purchase Agreements (“**PPAs**”) and declared the change in the rate of Safeguard Duty, Basic Custom Duty (“**BCD**”), and Goods and Service Tax (“**GST**”) as a Change in Law event. However, the directions issued by the Hon’ble Supreme Court of India in the GIB Judgment and the increase in Grid Connectivity Charges were not recognized as a Change in Law event. The Appellant has alleged that Respondent failed to appreciate the new law, as an order passed by the Hon’ble Supreme Court of India has the force of law under the Constitution of India. Therefore, the

Appellant has sought to set aside the Impugned Order passed by the Learned RERC as being arbitrary and unjust. The matter is currently pending.

***Disciplinary actions including penalties imposed by SEBI or the Stock Exchanges in the last five Financial Years preceding the date of this Red Herring Prospectus***

NIL

**Litigation involving our Directors**

***Criminal litigation***

NIL

***Material civil litigation***

NIL

***Actions taken by regulatory and statutory authorities***

NIL

**Litigation involving our Promoters**

***Criminal Litigation by our Promoters***

1. This criminal case involves NTPC and Sri Avantika Contractor Ltd and is currently in the Supreme Court of India. NTPC has filed a Special Leave Petition (SLP 6732/2022) against a Karnataka High Court judgment dated December 23, 2021, which quashed the CBI FIR filed against Sri Avantika Contractor Ltd. The case concerns the site levelling package at NTPC Kudgi, Karnataka, awarded to Sri Avantika Contractor Ltd. The SLP has been admitted and was re-numbered as Criminal Appeal No(s). 2525/2024 and the case is now listed to December 13, 2024.
2. This criminal case involves NTPC and Sri Avantika Contractor Ltd and is being heard by the Supreme Court of India. NTPC has filed a Special Leave Petition (SLP 6402/2022) challenging the Karnataka High Court's judgment from December 23, 2021, which quashed a CBI FIR against Sri Avantika Contractor Ltd. The dispute concerns the site levelling package awarded to Sri Avantika Contractor Ltd at NTPC Kudgi, Karnataka. The SLP has been admitted and was re-numbered as Criminal Appeal No(s). 2524/2024. The matter is now stands listed on December 13, 2024.
3. In this criminal case, NTPC has filed a Special Leave Petition (SLP 7591/2023) in the Supreme Court of India against a Karnataka High Court judgment dated September 27, 2022. The judgment quashed a CBI FIR against Sh. Prasanth Kondareddy and Sri Avantika Contractor Ltd, related to the site levelling package of NTPC Kudgi, Karnataka awarded to Sri Avantika Contractor Ltd. The SLP has been admitted and was re-numbered as CrI.A. No. 002653 / 2024, and the matter now stands listed on December 13, 2024.
4. In GR No. 1312/17 and P.S. Case No. 85/2017, a complaint has been filed by Sh. T. Gopala Krishan (NTPC Official), Ex. GGM, PB-CMP, against Sita Ram Sao, accusing him of offenses under Sections 420 and 406 of the IPC. The allegations are that Sita Ram Sao received money from the forest department for constructing a pond on land he falsely claimed as his own, while it was actually acquired by NTPC. The police filed a final report under Section 173 of the IPC, stating that the matter is civil in nature. In response, a protest has been filed by the complainant. The date for hearing is yet to be notified.

***Criminal Litigation against our Promoters***

1. In this criminal case, the CBI has filed a Special Leave Petition (SLP (Crl) 7903 of 2022) in the Supreme Court of India. The petition challenges a Karnataka High Court judgment dated December 23, 2021, which quashed a CBI FIR against Sri Avantika Contractor Ltd. The case relates to the site levelling package awarded to Sri Avantika Contractor Ltd for the NTPC Kudgi project, Karnataka. The SLP has been admitted, and the last hearing took place on September 24, 2024, the next hearing is scheduled for December 13, 2024.
2. In this criminal case, the CBI has filed a Special Leave Petition (SLP (Crl) 7904 of 2022) in the Supreme Court of India. The SLP challenges the Karnataka High Court's judgment dated December 23, 2021, which quashed the CBI FIR against Sri Avantika Contractor Ltd. The FIR was related to the site levelling package of the NTPC Kudgi project, Karnataka awarded to Sri Avantika Contractor Ltd. The SLP has been admitted, and the last hearing took place on September 24, 2024, the next hearing is scheduled for December 13, 2024.
3. This criminal case involves CBI filing a Special Leave Petition (SLP 7592/2023) in the Supreme Court of India against the Karnataka High Court's judgment dated September 27, 2022. The judgment quashed the CBI FIR filed against Sh. Prasanth Kondareddy, Sri Avantika Contractor Ltd, and NTPC related to the site levelling package of NTPC Kudgi, Karnataka awarded to Sri Avantika Contractor Ltd. The SLP has been admitted, with the last hearing held on September 24, 2024, the next hearing is scheduled for December 13, 2024.
4. This criminal case involves the State of Bihar against NTPC, represented by G. Amudhan, General Manager of KhSTPP (NTPC Official). The case (Misc Case No. 190/2006) was filed in the year 2006 and was last listed on April 29, 2006 at the Sub Divisional Magistrate of Kahalgaon, Bihar. The complaint, filed by the Inspector of Police, Kahalgaon, Bihar, alleges that water containing ash from NTPC's Ash Dyke is being discharged into the river Ganges through a water channel called 'Koha Nala,' causing pollution to the river. The arguments have been completed and the order is reserved. The order is not yet pronounced and no further date is notified.
5. This criminal proceeding involves the Inspector of Factories and Boilers, Orissa, against NTPC, represented by the Factory Manager, AGM NTPC/TTPS, Odisha. The case (2(C) CC-172/99) was filed in the year 1999 and is being heard by the SDJM, Talcher, Odisha. It was filed by the Inspector of Factories in connection with an accident, alleging a violation of Section 40B of the Factories Act, 1948. There is no quantified claim made in this case. The status of the case is currently pending. The next date of hearing is yet to be notified.
6. This criminal proceeding involves the Inspector of Factories and Boilers, Angul, Odisha against GM, NTPC/TTPS, Odisha. The case (2(C) CC-60/03) was filed in the year 2003 and is being heard by the SDJM, Talcher, Odisha. It pertains to an accident with alleged violations of Section 40B, as well as Section 62-C and 62-D of the Factories Act, 1948. There is no quantified claim made in this case. The current status of the case is pending. The next date of hearing is yet to be notified.
7. This criminal proceeding involves the State against NTPC represented by H. Panda & Another. The case (2(C) CC 49/12) is being heard in the SDJM, Talcher court, Orissa. It is filed under Section 592 of the Factories Act, 1948 and pertains to a fatal accident. No quantified claim has been made in this case, and its status is currently pending. The next date yet to be notified.
8. Complaint Case No. 3449/2023 pertains to a labour law non-compliance issue between State of Jharkhand v. CBCMP (NTPC). As of now, no representation has been provided for the case. A quashing application may be considered for filing in the High Court. The next court date is yet to be listed.
9. In the case of State of Bihar v. Tapas Kumar Seal & K.V. Adivarahan (NTPC Officials), filed under GC-77/2014 before the Additional Chief Judicial Magistrate-I in Barh, Bihar, the complaint concerns non-compliance with statutory requirements under Section 33 of the Factories Act. The court has instructed the defendants to appear in court. The next hearing is scheduled for December 20, 2024.



10. In FIR No. 87/2015, filed under Section 304A IPC, an allegation has been made against NTPC Officials Sh. M C Yadav and Sh. S P Mukherjee, Ex-GM, regarding an incident that occurred on August 23, 2015. The complaint involves the death of a worker due to a ceiling collapse in the Turbine Hall. Matter yet to be listed.
11. In case No. 16768/22, filed before the Chief Judicial Magistrate (CJM) in Ambedkarnagar, Uttar Pradesh, the Assistant Director of Factories has lodged a complaint against Sh. B.C. Polai (Occupier) and Sh. Krishnendu Gangopadhyay (Manager) (NTPC Officials). The complaint was filed on August 22, 2022, and the now the matter is being posted for November 22, 2024.
12. In Criminal Case No. 1088/2016 and Cr. Case 690/06, the Regional Officer of the Chhattisgarh Pollution Conservation Board, Korba, Chhattisgarh, initiated legal proceedings against NTPC, represented by Shri A. Choudhary, for alleged violations of the Air (Prevention and Control of Pollution) Act, 1981. The case involves the improper disposal and containment of ash, leading to environmental contamination in the village of Ghamota, Chhattisgarh and the Hasdeo river. Although the complaint was dismissed by the Judicial Magistrate First Class Katghora, Chhattisgarh on February 19, 2018, due to insufficient grounds, the Chhattisgarh Environment Conservation Board has filed a revision application against this dismissal. The case has been in a dormant condition since then.
13. In Criminal (F) Case No. 844/2020, NTPC Ltd. Hazaribagh, Jharkhand and another party are facing allegations based on a report from a Forest Guard. The report concerns the alleged construction of a bypass road in the Odarna Reserve Forest, which the Forest Guard claims is a violation of Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case. No coercive order is continuing and next date of hearing is on February 7, 2025.
14. In Criminal (F) Case No. 2447/2020, Prashant Kashyap (NTPC Official) and others are facing allegations based on a report from a Forest Guard regarding the alleged widening of a road after clearing small plants in the Banadag Reserve Forest of Hazaribagh, Jharkhand. The Forest Guard claims that this action violated Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case. No coercive order is continuing and next date of hearing is on February 18, 2025.
15. In Criminal (F) Case No. 2486/2020, Prashant Kashyap (NTPC Official) and others are facing allegations based on a Forest Guard's report regarding the alleged widening of a road after clearing small plants in the Banadag Reserve Forest of Hazaribagh, Jharkhand. The Forest Guard claims that this action constitutes a violation of Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case. No coercive order is continuing and next date of hearing is on November 21, 2024.
16. In Criminal (F) Case No. 2548/2020, Prashant Kashyap (NTPC Official) and others are accused based on a Forest Guard's report concerning the alleged construction of a bypass road in the Arahara Reserve Forest of Hazaribagh, Jharkhand. The Forest Guard claims that this activity violated Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case. No coercive order is continuing and next date of hearing is on November 22, 2024.
17. In Criminal (F) Case No. 29/2021, Prashant Kashyap (NTPC Official) and others are facing allegations based on a Forest Guard's report regarding the alleged widening of a road after clearing small plants in the Banadag Reserve Forest of Hazaribagh, Jharkhand. The Forest Guard claims that this action violated Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case. No coercive order is continuing and next date of hearing is on January 22, 2025.
18. In Criminal (F) Case No. 33/2021, NTPC (B.O.) is facing allegations filed against Prashant Kashyap and others based on a Forest Guard's report. The report concerns the alleged widening of a road after clearing small plants in the Banadag Reserve Forest of Hazaribagh, Jharkhand. The Forest Guard claims that this action violated Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case, which is currently pending for appearance. No coercive order is continuing and next date of hearing is on November 18, 2024.

19. In Criminal (F) Case No. 35/2021, NTPC (B.O.) has filed a case against Prashant Kashyap and others based on a report from a Forest Guard. The report alleges that NTPC widened a road after clearing small plants in the Banadag Reserve Forest of Hazaribagh, Jharkhand, in violation of Section 33 of the Indian Forest Act, 1927. The District Court has taken cognizance of the case, and it is currently pending for appearance. No coercive order is continuing and next date of hearing is on February 3, 2025.

#### ***Material civil litigation by our Promoters***

1. The dispute pertains to the contract awarded for the transportation of 3 MMTPA (million metric tonnes per annum) of imported coal via inland waterways to one of NTPC's project – Farakka, West Bengal. The contract was awarded to Jindal ITF Limited on Design Build Finance Operate and Transfer (DBFOT) basis. The contract stipulated, the Minimum Guaranteed Quantity to be 3 MMT per annum, whereas, the Ministry of Environment and Forest has only accorded permission for clearance of 1.5 MMT per annum, which resulted in dispute between the parties as the Minimum Guaranteed Quantity stood reduced. The dispute was referred for Arbitration. This arbitration case involves NTPC, JITF, and IWAI and an arbitral award of ₹18910 million has been issued against NTPC. NTPC filed objection to the award u/s 34 of the Arbitration & Conciliation Act, 1996 before the Delhi High Court, and is currently pending final hearing. NTPC has deposited ₹5000 million in the court during the admission of the Appeal. The case numbers are O.M.P. (COMM) 204/2019 and OMP (ENF.) (COMM.) 88/2019. The final arguments in the matter were concluded on November 7, 2024, and the Hon'ble Court has reserved its judgment.

#### ***Material civil litigation against our Promoters***

1. NTPC Limited had awarded a contract for procurement of imported coal of 8.25 MMT on M/s State Trading Corporation of India Limited (STC) for the year 2008-09 for NTPC coal based stations. Imported coal supply to NTPC stations was completed in year 2009-10 and contract was closed in year 2013 based on imported coal contract closure certificates furnished by STC. STC had issued 'No Demand certificate' against the contract. The backhand supplier of STC, M/s Adani Enterprises Limited (AEL) raised disputes and went for arbitration in the year 2014-15 wherein STC was made Respondent No. 1 and NTPC was made Respondent No. 2. In Arbitration, AEL had claimed an amount of US\$ 670,824,304 along with Interest @ 18% from the date of Notice of Arbitration i.e., August 21, 2014 until the payment is made. Arbitrator Tribunal has passed an award in favour of Respondents and claims made by the Claimants have been rejected. AEL has challenged the award u/s 34 of the Arbitration & Conciliation Act, 1996 in Delhi High Court, wherein STC is Respondent No. 1 & NTPC is Respondent No. 2 and the matter is currently pending in Delhi High Court and the next date of hearing is scheduled for December 2, 2024.

#### ***Actions taken by regulatory and statutory authorities***

1. An appeal has been filed with the National Company Law Appellate Tribunal (NCLAT) in New Delhi against a penalty imposed by the Competition Commission of India (CCI) on NTPC. The CCI had imposed a fine of ₹4 million on NTPC for alleged statutory non-compliance under the Competition Act, 2002, related to NTPC's stake acquisition in Ratnagiri Gas and Power Private Limited. The appeal was filed on October 27, 2023, challenging the CCI's order dated August 22, 2023. Appeal is listed for December 3, 2024.

#### ***Disciplinary actions including penalties imposed by SEBI or the Stock Exchanges in the last five Financial Years preceding the date of this Red Herring Prospectus***

1. Since Q1 2020, NTPC has received notices from NSE & BSE imposing fine amounting to ₹10.32 million (including GST) each respectively, in respect of non-compliance of Regulations 17, 18, 19, 20 and 21 of SEBI Listing Regulations due to non-availability of adequate numbers of independent directors on the Board of the Company. As directors of NTPC are appointed by the Government of India, NTPC has requested stock exchanges to waive the fine. BSE had waived the fine of ₹ 0.54 million of Q1 2020 imposed due to non-compliance of Regulation 17 of SEBI Listing Regulations. In addition to above, NSE

& BSE had imposed fine of ₹11,800/- each respectively in respect of non-compliance of Regulation 29 of SEBI Listing Regulations. Fine of ₹11,800/- was paid to NSE, however, request for waiver is pending with BSE.

2. NSE had imposed fine of ₹70,000/- under Para. 8.4 of Chapter XVII of SEBI operational circular for delay in certificate of confirming fulfilment of payment obligation. However, penalty was waived vide NSE's letter dated June 19, 2023.
3. In addition to above, demat account of NTPC Limited was frozen by stock exchanges, in September 2022 due to noncompliance of provisions of SEBI Listing Regulations by PTC (India) Limited.

### Litigation involving our Group Companies

As on the date of this Red Herring Prospectus, we have 4 Group Companies. Further, as on the date of this Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company or the Offer, as applicable.

### Tax matters

Except as disclosed below, there are no proceedings related to direct and/ or indirect taxes pending against our Company, Subsidiaries, Promoters and Directors:

Nature of case	Number of cases	Amount involved (in ₹ million)*
<b><i>Our Company</i></b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL
<b><i>Our Subsidiaries</i></b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL
<b><i>Our Promoters</i></b>		
Direct tax	14	15,887.96
Indirect tax	78	9,565.40
<b><i>Our Directors</i></b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL

\* To the extent ascertainable. The amount in dispute is to the extent quantifiable as per notice of demand and excluding any further liabilities towards interest and penalty.

### Outstanding dues to creditors

Pursuant to the resolution passed by our Board on September 7, 2024, creditors of our Company to whom an amount equal to or exceeding 5% of our total outstanding dues to creditors as of September 30, 2024 based on the Restated Consolidated Financial Information of our Company was outstanding, were considered 'material' creditors. As per the Restated Consolidated Financial Information, our total outstanding dues to creditors as of September 30, 2024, was ₹ 918.72 million and accordingly, creditors to whom outstanding dues exceed ₹ 45.94 million have been considered as material creditors for the purposes of disclosure in this Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed to creditors as of September 30, 2024, by our Company are set out below:

Type of creditors	Number of creditors	Amount due (in ₹ million)
Dues to micro, small and medium enterprises (the "Small-scale undertaking")	20	74.31
Material Creditors	7	624.86
Other creditors	89	219.55
<b>Total</b>	<b>116</b>	<b>918.72</b>

The details pertaining to outstanding dues towards our material creditors are available on the website of our Company at <https://ngel.in/page/outstanding-dues-to-material-creditors>.

### **Material Developments**

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after September 30, 2024 that may affect our future results of operations*” on page 514 and in this Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Our Company has received the necessary material consents, licenses, permissions, registrations and approvals from the Government of India, various governmental agencies and other statutory and/ or regulatory authorities required for carrying out our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus. Certain licenses/ approvals may have expired in their normal course and our Company and Material Subsidiary has either made applications to the appropriate authorities for such licenses/ approvals, or is in the process of making such applications. For further details in connection with the applicable regulatory and legal framework, please see the section entitled “Key Regulations and Policies in India” on page 236.*

### **Approvals relating to the Issue**

For the approvals and authorisations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 542.

### ***Incorporation details of our Company***

1. Certificate of incorporation dated April 7, 2022 issued by the RoC to our Company, in the name of ‘*NTPC Green Energy Limited*’ bearing CIN U40100DL2022GOI396282.

### ***Incorporation details of our Material Subsidiary***

1. Certificate of incorporation dated October 7, 2020 issued by the RoC to our Company, in the name of ‘*NTPC Renewable Energy Limited*’ bearing CIN U40107DL2020GOI371032.

### **Material Approvals obtained by our Company and our Material Subsidiary in relation to our business and operations**

We require various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements as disclosed below. We have received the following approvals which are material and necessary for carrying on the business and operations of our Company and our Material Subsidiary:

#### ***1. Tax related approvals***

##### ***(a) Our Company***

- (a) Permanent Account Number AAICN1737G, issued by the Income Tax Department, Government of India.
- (b) Tax Deduction Account Number DELN24444A, issued by the Income Tax Department, Government of India.
- (c) GST registration certificates issued under the central and state specific GST laws, as applicable in the states where our Company’s business operations are situated.
- (d) Registrations under the applicable professional tax statutes in various states where are business operations are situated.

##### ***(b) NREL***

- (a) Permanent Account Number AAHCN2047E, issued by the Income Tax Department, Government of India.
- (b) Tax Deduction Account Number DELN21960B, issued by the Income Tax Department,

Government of India.

- (c) GST registration certificates issued under the central and state specific GST laws, as applicable in the states where our Company's business operations are situated.
- (d) Registrations under the applicable professional tax statutes in various states where business operations are situated.

***Material Approvals in relation to our projects***

We are required to obtain various approvals and licenses under various laws, rules and regulations in relation to our projects. The approvals and licenses are required to be obtained at various stages of the projects.

We have acquired our renewable energy projects from our Corporate Promoter, NTPC Limited, vide the business transfer agreement dated July 8, 2022 ("BTA"). The purchased renewable assets under the BTA included, inter-alia, all contracts/documents, plant and equipment and permits held by NTPC Limited in relation to such assets, except for certain assets and liabilities, which were specifically excluded per the terms of the BTA. While certain transferred approvals and permits that were material to the projects—such as clearance from the Department of Forest, Ministry of Environment, Forest and Climate Change, and registration for new power lines from the National Regional Load Dispatch Centres and the Power & Telecommunication Co-ordination Committee—were one-time in nature and did not need to be subsequently updated to reflect our Company's details, the remaining material project-related approvals which have to be obtained on a periodic basis will be duly updated to reflect the details of the Company once they are due for renewal.

The material approvals in connection with our operating projects are as follows:

- Registration under the Factories Act, 1948;
- Registration under Contract Labour (Regulation & Abolition) Act, 1970;
- Energization approvals from the jurisdictional chief electrical inspectorate in accordance with the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 prior to supply of the electricity generated from our projects;
- Evacuation and grid connectivity related approvals from the jurisdictional transmission companies in order to ensure that power generated from a project is evacuated up to the interconnection point or up to the sub-station of the jurisdictional transmission company for our projects;
- Applicable registration for new power lines from the National Regional Load Dispatch Centres and Power & Telecommunication Co-ordination Committee;
- Clearance from the National Highways Authority of India and the Indian Railways for construction of transmission lines;
- Clearance from the Department of Forest, Ministry of Environment, Forest and Climate Change; and
- Clearance from the Central Ground Water Authority or the State Ground Water Authority, as applicable, for the extraction of ground water

Further, as on the date of this Red Herring Prospectus, our project portfolio consists of contracted and awarded projects, most of which are not yet operational.

Most of these contracted and awarded projects are housed in our Material Subsidiary, NTPC Renewable Energy Limited. We are in the process of obtaining the relevant authorisations, permissions and approvals such as the development permissions from the relevant state and central authorities, including the Ministry of New and Renewable Energy; energization approvals from the jurisdictional chief electrical inspectorate in accordance with

the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 and clearance from the Central Ground Water Authority or the State Ground Water Authority.

### **Labour related approvals**

- Registration under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952.
- Registrations under the shops and establishments acts of applicable state specific laws where our business operations are located.

### **2. Intellectual Property related approvals**

We have no registered trademarks, including the trademark for our trade name or the corporate logo appearing on the cover page of this Red Herring Prospectus. For further details, please see “Our Business” and “Risk Factors- We do not own the “NTPC” trademark, name or logo, and our logo and name have not been registered as trademarks. Accordingly, our ability to use our name or logo may be impaired. We also rely on a combination of trade secret and contractual restrictions to protect our intellectual property. If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. As part of our operations, we might infringe upon the intellectual property rights of others and any misappropriation of our intellectual property could harm our competitive position.” on pages 195 and 73 respectively.

### **Material Approvals applied for but not received**

S. No.	Nature of approval	Manufacturing facility	Issuing authority	Date of acknowledgement of application/ date of application	Status as on date of this Red Herring Prospectus
1.	Registration under the Factories Act, 1948	Chhattargarh Solar Project, Khasra no. 1201/140, 573 RD Bagraala Road, Chhattargarh, Bikaner, Rajasthan – 334021	Chief Inspector of Factories and Boilers, Government of Rajasthan, Jaipur	July 20, 2024	Under process

### **Material Approvals which have expired and applications for renewal have been made**

S. No.	Nature of approval	Manufacturing facility	Issuing authority	Date of acknowledgement of renewal application/ date of renewal application	Status as on date of this Red Herring Prospectus
1.	Registration under the Contract Labour (Regulation & Abolition) Act, 1970	Fatehgarh Solar Park, Nedan Village, Pokhran Tehsil, Jaisalmer - 345026, Rajasthan, India.	Ministry of Labour and Employment, Government of India	July 13, 2024	Under process

**Material Approvals expired and renewal to be applied for**

As on the date of this Red Herring Prospectus, there are no material approvals which have expired and for which renewal applications are yet to be made by our Company and our Material Subsidiary.

**Material Approvals required but not obtained or applied for**

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no material approvals which are required but which have not been obtained or for which applications are yet to be made by our Company and our Material Subsidiary:

The registrations under the applicable professional tax statutes in various states where our business operations are situated are currently under the name of NTPC Limited, our Corporate Promoter, since the employees on these locations were on secondment from NTPC Limited. Accordingly, our Company is currently in the process of and has filed relevant applications to obtain these registrations under the name of the Company and NTPC Renewable Energy Limited, as applicable.



## GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term ‘group companies’ includes (i) such companies (other than promoter company and subsidiaries) with which the issuer company had related party transactions, during the period for which financial information is disclosed in this Red Herring Prospectus, as covered under the applicable accounting standards, and (ii) any other companies considered material by the Board of Directors.

Accordingly, for (i) above, all such companies (other than the Corporate Promoter and Subsidiaries) with which the Company had related party transactions during the period covered in the Restated Consolidated Financial Information and the NTPC RE division had related party transactions as per the Special Purpose Carved-Out Combined Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

With respect to point (ii) above, for the purpose of disclosure in the Issue Documents, a company (other than the companies covered under the schedule of related party transactions) shall be considered “material” and will be disclosed as a ‘Group Company’ in the Issue Documents if it is a part of the promoter group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations) with which there were one or more transactions during the most recent completed financial year (and the relevant stub period, as applicable) in the restated consolidated financial statements of the Company included in the Issue Documents, which individually or in the aggregate, exceed 10% of the total revenue of the Company as per the restated financial statements of the Company for the most recent completed financial year included in the Issue Documents.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, our Company has the following Group Companies:

Sr.No.	Name	Registered Office address
1.	IndianOil NTPC Green Energy Private Limited	NTPC Bhawan, Core -7, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India
2.	Utility Powertech Limited	Reliance Centre, Ground Floor 19, Walchand Hirachand Marg, Ballard Estate Mumbai 400 001, Maharashtra
3.	NTPC-GE Power Services Private Limited	NTPC Bhawan , Core -7, SCOPE Complex 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India
4.	NTPC Vidyut Vyapar Nigam Limited	NTPC Bhawan , Core -7, SCOPE Complex 7 Institutional Area, Lodi Road, New Delhi-110 003, Delhi, India

### Details of our Group Companies

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit/(loss) after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value of our Group Companies, based on their respective audited financial statements for the preceding three years shall be hosted on our website/websites of our respective group companies as indicated below:

Sr.No.	Name	Website
1.	IndianOil NTPC Green Energy Private Limited	<a href="https://ngel.in">https://ngel.in</a>
2.	Utility Powertech Limited	<a href="https://utilitypowertech.org">https://utilitypowertech.org</a>
3.	NTPC-GE Power Services Private Limited	<a href="https://ngsl.co.in">https://ngsl.co.in</a>
4.	NTPC Vidyut Vyapar Nigam Limited	<a href="https://nvvn.co.in">https://nvvn.co.in</a>

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on the websites given above does not constitute a part of this Red Herring Prospectus. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

Neither our Company nor any of the BRLMs nor any of the Company’s, BRLMs’ or any of their respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above.

## **Nature and extent of interests of our Group Companies**

### ***In the promotion of our Company***

As on the date of this Red Herring Prospectus, our Group Companies do not have any interest in the promotion or formation of our Company.

### ***In the properties acquired by our Company since its incorporation or proposed to be acquired by our Company***

Our Group Companies are not interested in any property acquired by our Company or proposed to be acquired by our Company since its incorporation.

### ***In transactions for acquisition of land, construction of building and supply of machinery, etc***

Our Group Companies are not interested in any transaction for acquisition of land, construction of building or supply of machinery, etc entered into by our Company.

### ***Business interest of our Group Companies***

Except as disclosed “*Restated Consolidated Financial Information – Note 37 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” and “*Special Purpose Carved-Out Combined Financial Statements – Note 38 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” on pages 340 and 413 respectively, our Group Companies do not have any business interest in our Company.

### ***Related business transactions***

Except as disclosed in “*Restated Consolidated Financial Information – Note 37 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” and “*Special Purpose Carved-Out Combined Financial Statements – Note 38 – Disclosure as per Ind AS 24 'Related Party Disclosures'*” on pages 340 and 413 respectively, there are no other related business transactions with our Group Companies which are significant to the financial performance of our Company, Subsidiaries and Associates.

### ***Common pursuits***

Certain of our group companies, such as NTPC GE Power Services Private Limited and IndianOil NTPC Green Energy Private Limited, are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries and our Company. However, there is no conflict of interest amongst our Group Companies and our Company. Our Company has adopted necessary procedures and practices, as permitted by law and regulatory guidelines, to address instances of conflict.

### ***Other confirmations***

Our Group Companies do not have any securities listed on any stock exchange.

### ***Litigation***

As on date of this Red Herring Prospectus, our Group Companies are not party to any pending litigation which have a material impact on our Company

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on September 9, 2024 and our Shareholders have approved the Issue pursuant to a resolution dated September 10, 2024 in terms of Section 62(1)(c) of the Companies Act, 2013. The Draft Red Herring Prospectus has been approved by our Board and IPO Committee, pursuant to their resolution passed on September 17, 2024 and September 18, 2024, respectively. Our Board and IPO Committee have, pursuant to the resolutions passed at their meetings held on November 11, 2024, and November 12, 2024 approved this Red Herring Prospectus for filing with the RoC, SEBI and the Stock Exchanges.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated October 18, 2024.

### Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have not been declared as Wilful Defaulter or Fraudulent Borrowers.

Our Promoters or Directors have not been declared as 'Fugitive Economic Offenders' in terms of the circular no. RBI/DBS/2016-17/28 dated July 1, 2016 issued by the Reserve Bank of India.

### Directors associated with securities market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by the SEBI against the Directors of our Company in the past five years preceding the date of this Red Herring Prospectus.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Promoter, NTPC Limited, along with its nominees, currently holds 100.00% of the pre-Offer paid-up equity share capital of our Company. Section 89 of the Companies Act, 2013, which deals with declaration in respect of beneficial interest in any share, is not applicable to the government companies. Accordingly, our Company is exempt from the requirements of the Companies (Significant Beneficial Ownership) Rules, 2018 ("*SBO Rules*").

### Eligibility for the Issue

Our Company is eligible for undertaking the Issue in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states the following:

*“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”*

Our company was incorporated on April 7, 2022, and accordingly, does not fulfil the criteria specified under Regulation 6(1) of the SEBI ICDR Regulations for issue of equity shares to the public.

We are an unlisted company not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations and therefore required to allot not less than 75% of the Net Issue is proposed to be Allotted to QIBs and in the event that we fail to do so, the full Bid Amounts shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Issue shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith or the application monies shall be unblocked in the ASBA Accounts, in accordance with the SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- (i) Our Company, our Promoters, members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;
- (ii) The companies with which our Promoters or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;
- (iii) Neither our Company, nor our Promoters, or Directors have been identified as a Wilful Defaulter or Fraudulent Borrower;
- (iv) None of our Directors has been declared as a Fugitive Economic Offender;
- (v) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Red Herring Prospectus;
- (vi) Our Company along with the Registrar to the Issue has entered into tripartite agreements dated September 2, 2024 and September 11, 2024 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
- (vii) The Equity Shares of our Company held by the Promoters are in the dematerialised form;
- (viii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus.
- (ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IDBI CAPITAL MARKETS & SECURITIES LIMITED, HDFC BANK LIMITED, IIFL CAPITAL SERVICES LIMITED (FORMERLY KNOWN AS IIFL SECURITIES LIMITED) AND NUVAMA WEALTH MANAGEMENT LIMITED (“BRLMs”), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI**

**ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 18, 2024 IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SEBI ICDR REGULATIONS.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS AND THIS RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of this Red Herring Prospectus and Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013.

**Disclaimer from our Company, our Directors and BRLMs**

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website [www.ngel.in](http://www.ngel.in), or the respective websites of our Promoters or any affiliate of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company, and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, and their respective directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in New Delhi only.

This Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

This Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises this Red Herring Prospectus.

The delivery of this Red Herring Prospectus shall not under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

**No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

### **Eligibility and Transfer Restrictions**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are U.S. QIBs pursuant to Rule 144A or in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in “offshore transactions” as defined in, and in compliance with, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.**

### **Eligible Investors**

The Equity Shares are being offered:

- (i) in the United States to investors that are U.S. QIBs pursuant to Rule 144A or in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and
- (ii) outside the United States in “offshore transactions” as defined in, and in compliance with, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Each purchaser that is acquiring the Equity Shares offered pursuant to the Issue within the United States, by its acceptance of this Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented and warranted to and agreed with our Company and the Book Running Lead Managers that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision.

### **Representations and Transfer Restrictions for Purchasers with the United States**

Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act. Each purchaser of the Equity Shares offered by this Red Herring Prospectus will be deemed to have represented and agreed to the Company and the BRLMs as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.
- You (A) are a “qualified institutional buyer” (as defined in Rule 144A) (a “U.S. QIB”), (B) are aware that the sale of the Equity Shares to you is being made in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, and (C) are acquiring such Equity Shares for your own account or for the account of a U.S. QIB;
- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or another available exemption from registration requirements of the U.S. Securities Act, (2) pursuant to an exemption from the registration requirements under the U.S. Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an offshore transaction as defined in, and in reliance on, Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction in which such offers or sales are made;
- You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you, nor any of your affiliates, nor any person acting on your behalf, will make any “directed selling efforts” as defined in Regulation S, with respect to the Equity

Shares. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any directed selling efforts;

- The Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares;
- You will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
- You will notify any transferee to whom you subsequently offer, sell, pledge or otherwise transfer and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.
- You acknowledge that if at any time your representations cease to be true, you agree to resell the Equity Shares at the Company’s request.
- You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that the Company, the BRLMs, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate you will promptly notify us; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account.
- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognised by the Company.

#### **Representations and Transfer Restrictions for Purchasers Outside the United States**

If you purchase Equity Shares in the Offer outside of the United States, by accepting delivery of this Red Herring Prospectus, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented, warranted, acknowledged and agreed with the Company and the BRLMs as follows:

- You are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations and will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Red Herring Prospectus) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of Equity Shares, and you acknowledge and agree that none of the Company or the BRLMs and their respective affiliates shall have any responsibility in this regard.
- You acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that the Equity Shares are being issued in offshore transactions as defined in, and in reliance on, Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.
- You certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, are located outside the United States (within the meaning of Regulation S), and you have not purchased the Equity Shares for the account or benefit of any person in the United States or entered



into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- You are aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.
- You agree (or you are a broker-dealer acting on behalf of a customer that has confirmed to you that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any “directed selling efforts” as defined in Regulation S. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any “directed selling efforts” as defined in Regulation S.
- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and that such Equity Shares may be offered, resold, pledged or otherwise transferred except (A)(i) in the United States, (1) to a person who the seller reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (2) pursuant to an exemption from registration under the U.S Securities Act provided by Rule 144 under the U.S. Securities Act (if available), (3) pursuant to another available exemption from the registration requirements of the U.S Securities Act, or (4) pursuant to an effective registration statement under the U.S. Securities Act, or (ii) outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, as applicable, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdictions in which such offers or sales are made.
- You agree to indemnify and hold the Company and the BRLMs harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. You will not hold any of the Company or the BRLMs liable with respect to its investment in the Equity Shares. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Where you are subscribing to the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts.
- You agree that any offer, resale, pledge or other transfer, or attempted offer, resale, pledge or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

#### **Disclaimer Clause of BSE**

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company is set forth below:

*“BSE Limited (“the Exchange”) has given vide its letter dated October 18, 2024, permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -*

- a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document;  
or
- b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- c. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

*and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”.*

#### **Disclaimer Clause of NSE**

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company Is set forth below:

*“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4559 dated October 18, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

*Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”*

#### **Listing**

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. If the listing and trading permission is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Issue Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within such timeline as prescribed by SEBI, all amounts received in the Public Issue Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest at the rate of 15% shall be due to be paid to the Bidders as prescribed under applicable law.

## Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, legal counsels appointed for the Issue, CFO, Bankers to our Company, the BRLMs, Statutory Auditors, Registrar to the Issue, CRISIL, the independent chartered engineer, independent chartered account, the erstwhile statutory auditors of our Corporate Promoter, NTPC Limited, have been obtained; and consents in writing of Monitoring Agency, the Syndicate Members, Escrow Collection Bank(s)/Refund Bank(s)/ Public Issue Account/ Sponsor Bank to act in their respective capacities, have been obtained as required under the Companies Act, 2013. All such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for filing with the RoC.

## Expert to the Issue

Our Company has received written consent dated November 12, 2024 from P.R. Mehra & Co., Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) the examination report dated October 30, 2024 relating to the Restated Consolidated Financial Information as at and for the six months ended September 30, 2024 and September 30, 2023 as well for the Fiscal ended March 31, 2024 and for the period from April 7, 2022 to March 31, 2023; and (ii) the statement of tax benefits dated November 6, 2024 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

Our Company has received written consent dated September 18, 2024 from SK Mehta & Co, Chartered Accountants and Varma & Varma, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the erstwhile statutory auditors of our Corporate Promoter, NTPC Limited, and in respect of (i) the special purpose audit report dated September 18, 2024 relating to the Special Purpose Carved-out Combined Financial Statements as at and for the Fiscals ended March 31, 2023 and March 31, 2022 and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

Our Company has received written consent dated November 11, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name in this Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated November 11, 2024, and such consent has not been withdrawn as on the date of this Red Herring Prospectus. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

Our Company has also received written consent dated November 12, 2024, from the independent chartered accountant, namely PVAR & Associates, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company. The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

## Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entities during the previous three years

Other than as disclosed in “*Capital Structure*” on page 113, our Company has not made any capital issues since its incorporation till the date of this Red Herring Prospectus.

Our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

## Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage by our Company for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its incorporation.

## Performance vis-à-vis objects – Public/ rights issue of our Company

Except as disclosed in this Red Herring Prospectus, our Company has not undertaken any public or rights issue since its incorporation till the date of this Red Herring Prospectus.

## Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

As on date of this Red Herring Prospectus, the securities of our subsidiaries are not listed on any stock exchange and our subsidiaries have not made any public issue or rights issue during the five years immediately preceding the date of this Red Herring Prospectus. Our listed Promoter, NTPC Limited, has not undertaken any capital issue in the last five years immediately preceding the date of this Red Herring Prospectus.

## Price information of past issues handled by the BRLMs

### 1) IDBI Capital Markets & Securities Limited

#### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IDBI Capital Markets & Securities Limited

Sr. No.	Offer Name	Offer Size (in ₹ Mn) #	Offer price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Indian Renewable Energy Development Agency Limited	21,502.12	32.00	November 29, 2023	50.00	+204.06% [+8.37%]	+373.44% [+10.08%]	+479.84 [+14.23%]
2.	Inox Green Energy Services Limited	7,400.00	65.00	November 23, 2022	60.50	-30.77% [-1.11%]	-32.77% [-1.33%]	-26.85% [+0.36%]

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

- Data is sourced either from [www.nseindia.com](http://www.nseindia.com) or [www.bseindia.com](http://www.bseindia.com), as per the designated stock exchange disclosed by the respective issuer company
- Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company.

#### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IDBI Capital Markets & Securities Limited

Financial Year	Total no. of IPOs	Total amount of funds raised INR in million) <sup>#</sup>	No. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at discount as on 180 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%
2024-25*	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023-24	1	21,502.12	-	-	-	1	-	-	-	-	-	1	-	
2022-23	1	7,400.00	-	1	-	-	-	-	-	1	-	-	-	

#As per Prospectus

Note

(1) The information is as on the date of this Red Herring Prospectus.

(2) The information for each of the financial years is based on issues listed during such financial year.

## 2) HDFC Bank Limited

### 1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by HDFC Bank Limited

Sr. No.	Offer Name	Offer Size (in ₹ Mn) <sup>#</sup>	Offer price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Go Digit General Insurance Limited	26,146.46	272	May 23, 2024	286.00	22.83% [2.32%]	30.79% [7.54%]	-
2.	IRM Energy Limited	5,443.63	505	October 26, 2023	477.25	-7.20% [4.49%]	-0.25% [12.63%]	19.69% [18.45%]
3.	Sai Silks (Kalamandir) Limited	12,009.98	222	September 27, 2023	230.10	8.09% [-4.49%]	25.09% [7.54%]	-12.30% [10.15%]
4.	Aether Industries Limited	8,080.44	642	June 03, 2022	706.15	+21.00% [-5.13%]	+34.54% [+6.76%]	+40.15% [+12.40%]

#As per Prospectus

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) for price information and prospectus for offer details

Notes:

- Designated stock exchange of the respective issuer has been considered for the pricing information
- 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days
- In case of reporting dates falling on a trading holiday, values for immediately previous trading day have been considered
- In IRM Energy Limited, the Issue price to eligible employees was ₹457 after a discount of ₹48 per equity share

### 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by HDFC Bank Limited

Financial Year	Total no. of IPOs	Total amount of funds raised INR in million) <sup>#</sup>	No. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at discount as on 180 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%
2024-25*	1	26,146.46	-	-	-	-	-	1	-	-	-	-	-	

Financial Year	Total no. of IPOs	Total amount of funds raised INR in million) <sup>#</sup>	No. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing date			No. of IPOs trading at discount as on 180 <sup>th</sup> calendar day from listing date			No. of IPOs trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%	Over 50%	Betwe en 25%-50%	Less than 25%
2023-24	2	17,453.61	-	-	1	-	-	1	-	-	1	-	-	1
2022 – 23	1	8,080.44	-	-	-	-	-	1	-	-	-	-	1	-

<sup>#</sup>As per Prospectus

Notes:

1. The information is as on the date of this Red Herring Prospectus.
2. The information for each of the financial years is based on offers listed during such financial year.

### 3) IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designate d Stock Exchange as disclosed in the red herring prospectu s filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	R K Swamy Limited	4,235.60	288.00	BSE	March 12, 2024	252.00	-1.30%, [+1.86%]	-6.70%, [+4.11%]	-17.57%, [+10.20%]
2	Bharti Hexacom Limited	42,750.00	570.00	BSE	April 12, 2024	755.20	+58.25%, [-2.13%]	+85.03%, [+7.65%]	+158.31, [+9.95%]
3	JNK India Limited	6,494.74	415.00	NSE	April 30, 2024	621.00	+54.47%, [+0.44%]	+81.75%, [+9.87%]	+50.58%, [+6.97%]
4	Go Digit General Insurance Limited	26,146.46	272.00	NSE	May 23, 2024	286.00	+22.83%, [+2.32%]	+30.79%, [+7.54%]	N.A.
5	Awfis Space Solutions Limited	5,989.25	383.00 <sup>(1)</sup>	NSE	May 30, 2024	435.00	+34.36%, [+6.77%]	+100.18%, [+11.25%]	N.A.
6	Ceigall India Limited	12,526.63	401.00 <sup>(2)</sup>	NSE	August 8, 2024	419.00	-4.89%, [+3.05%]	-14.01%, [0.40%]	N.A.
7	Unicommerce Solutions Limited	2,765.72	108.00	NSE	August 13, 2024	235.00	+109.98%, [+3.23%]	+89.71%, [+0.04%]	N.A.
8	Ecos (India) Mobility & Hospitality Limited	6,012.00	334.00	NSE	September 4, 2024	390.00	+42.28%, [+0.20%]	N.A.	N.A.

Sr. No.	Issue Name	Issue Size (in Rs. Mn)	Issue Price (Rs.)	Designated Stock Exchange as disclosed in the red herring prospectus filed	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
9	Bajaj Housing Finance Limited	65,600.00	70.00	NSE	September 16, 2024	150.00	+99.86%, [-1.29%]	N.A.	N.A.
10	Waaree Energies Limited	43,214.40	1,503.00	NSE	October 28, 2024	2,500.00	N.A.	N.A.	N.A.

Source: [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com), as applicable

- (1) A discount of Rs. 36 per equity share was offered to eligible employees bidding in the employee reservation portion.
- (2) A discount of Rs. 38 per equity share was offered to eligible employees bidding in the employee reservation portion.

Note: Benchmark Index taken as NIFTY 50 or S&P BSE SENSEX, as applicable. Price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered for all of the above calculations. The 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup> /90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by IIFL Capital Services Limited (formerly known as IIFL Securities Limited)*

Financial Year	Total No. of IPO's	Total Funds Raised (in Rs. Mn)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%
2022-23	12	1,06,650.92	-	-	4	-	4	4	-	-	3	1	4	4
2023-24	15	1,54,777.80	-	-	4	3	4	4	-	-	1	5	4	5
2024-25	9	2,11,499.20	-	-	1	4	2	1	-	-	-	2	-	-

Source: [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com), as applicable

Note: Data for number of IPOs trading at premium/discount taken at closing price of the designated stock exchange as disclosed by the respective issuer at the time of the issue has been considered on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

**4) Nuvama Wealth Management Limited**

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Nuvama Wealth Management Limited*

S. No.	**Issue Name	Issue Size (₹ million) #	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Afcons Infrastructure Limited	54,300.00	463.00 <sup>ss</sup>	November 4, 2024	426.00	NA	NA	NA
2.	P N Gadgil Jewellers Limited	11,000.00	480.00	September 17, 2024	830.00	61.14% [-1.76%]	NA	NA
3.	Allied Blenders and Distillers Limited	15,000.00	281.00 <sup>s</sup>	July 02, 2024	320.00	9.68% [3.43%]	21.28% [8.52%]	NA
4.	Go Digit General Insurance Limited	26,146.46	272.00	May 23, 2024	286.00	22.83% [2.32%]	30.79% [7.54%]	NA
5.	Popular Vehicles and Services Limited	6,015.54	295.00 <sup>^^</sup>	March 19, 2024	289.20	-15.59% [1.51%]	-13.67% [7.55%]	-23.43% [16.22%]
6.	Capital Small Finance Bank Limited	5,230.70	468.00	February 14, 2024	435.00	-25.25% [1.77%]	-26.09% [1.33%]	-31.44% [10.98%]
7.	Mediassist Healthcare Services Limited	11,715.77	418.00	January 23, 2024	465.00	22.32% [3.20%]	15.66% [3.86%]	33.86% [14.54%]
8.	Flair Writing Industries Limited	5,930.00	304.00	December 01, 2023	501.00	14.69% [7.22%]	-8.63% [8.31%]	1.12% [12.93%]
9.	Gandhar Oil Refinery (India) Limited	5,006.92	169.00	November 30, 2023	298.00	61.51% [7.94%]	41.57% [10.26%]	22.99% [13.90%]
10.	ESAF Small Finance Bank Limited	4,630.00	60.00 <sup>^</sup>	November 10, 2023	71.90	12.87% [7.58%]	31.18% [11.17%]	0.77% [13.26%]

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

<sup>ss</sup> Afcons Infrastructure Limited – A discount of ₹44 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹463 per equity share

<sup>s</sup> Allied Blenders and Distillers Limited- A discount of ₹ 26 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹281 per equity share

<sup>^^</sup> Popular Vehicles and Services Limited- A discount of ₹ 28 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹295 per equity share

<sup>^</sup>ESAF Small Finance Bank Limited- A discount of ₹ 5 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹60 per equity share.

#As per Prospectus

\*\*Pursuant to order passed by Hon 'ble National Company Law Tribunal, Mumbai Bench dated April 27, 2023, the merchant banking business of Edelweiss Financial Services Limited ("Edelweiss") has demerged and now transferred to Nuvama Wealth Management Limited ("Nuvama") and therefore the said merchant banking business is part of Nuvama.

#### Notes

1. Based on date of listing.
2. % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day.
3. Wherever 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
4. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Nuvama Wealth Management Limited



Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)#	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	4	1,06,446.46	-	-	-	1	-	2	-	-	-	-	-	-
2023-24	9	68,029.67	-	1	1	1	1	5	-	1	3	1	1	3
2022-23	3	28,334.49	-	1	-	-	1	1	-	1	1	-	-	1

The information is as on the date of the document

1. Based on date of listing.
2. Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
3. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.

\*For the financial year 2024-25, 3 issues have completed 30 calendar days, 2 issues have completed 90 calendar days and none of the issues have completed 180 calendar days.

#As per Prospectus

### Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, please see the websites of the BRLMs, as provided in the table below:

S. No.	Name of the BRLM	Website
1.	IDBI Capital Markets & Securities Limited	www.idbicapital.com
2.	HDFC Bank Limited	www.hdfcbank.com
3.	IIFL Capital Services Limited (formerly known as IIFL Securities Limited)	www.iiflcap.com
4.	Nuvama Wealth Management Limited	www.nuvama.com

### Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Issue, in the manner provided below.

All grievances other than of Anchor Investors in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary

where the Bid cum Application Form was submitted by the Bidder. Anchor Investors are required to address all grievances in relation to the Issue to the BRLMs. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

For Issue related grievance investors may contact Book Running Lead Managers, details of which are given in “General Information” on page 103.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the BRLMs and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

SEBI, by way of its circular dated March 16, 2021 as amended by its circular dated April 20, 2022 (“**March 2021 Circular**”), has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. As per the March 2021 Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and  2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Issue BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and the March 2021 Circular, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of the Red Herring Prospectus.

Neither of our Group Companies are listed on any stock exchange.

#### **Disposal of Investor Grievances by our Company**

Our Company has obtained authentication on the SCORES and shall comply with SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be four Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Manish Kumar, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, see “*General Information*” on page 103.

Our Company has constituted a Stakeholders’ Relationship Committee, to resolve the grievances of the security holders of our Company including complaints related to transfer/transmission of shares, non-receipt of annual

report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc, comprising of three Directors as members. For details, see “*Our Management- Committees of the Board – Stakeholders’ Relationship Committee*” on page 263.

#### **Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

#### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company, through its letter dated September 18, 2024, has sought an exemption from SEBI under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations from: (i) compliance with regulation 17 (1) of the SEBI Listing Regulations in relation to the appointment of independent directors; (ii) compliance with regulation 24 (1) of the SEBI Listing Regulations which provides that a listed company should have at least one independent director who is on the board of the listed company, to be one of the directors on the board of its unlisted material subsidiary; (iii) compliance with certain corporate governance requirements in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II –Part D of the SEBI Listing Regulations and the Audit Committee as specified under Regulation 18(3) read with point (2) of para (A) under Schedule II -Part C of the SEBI Listing Regulation; and (iv) clause (1) (b), Schedule XVI of the SEBI ICDR Regulations which states that any change in more than half of the board of directors after filing of the DRHP, may require filing a fresh draft offer document with SEBI. SEBI, *vide* its letter bearing reference number SEBI/CFD/RAC-DIL1/2024/32978 dated October 21, 2024, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see “*Risk Factors – Our Company is not in compliance with certain provisions of the SEBI Listing Regulations and the SEBI ICDR Regulations*” and “*Our Management-Corporate Governance*” on pages 56 and 259 respectively.

## SECTION VII: ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued, offered and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of this Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue, to the extent and for such time as these continue to be applicable.

#### Ranking of the Equity Shares

The Equity Shares being offered pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of voting and the right to receive dividend. In addition, the Allottees upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For details, see “*Description of Equity Shares and Terms of Articles of Association*” on page 598.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For details, in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on pages 280 and 598, respectively.

#### Face Value, Issue Price, Floor Price, Price Band and Employee Discount

The face value of each Equity Share is ₹10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share. Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

The Price Band, the Employee Discount (if any) and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta a Hindi national daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the BRLMs, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares, unless otherwise permitted by law.

### **Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

### **The Issue**

The Issue comprises a Fresh Issue by our Company.

For details of Issue-related expense, see “*Objects of the Issue – Issue Expenses*” on page 130.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or ‘e-voting’, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of Articles of Association*” on page 598.

### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and KFin Technologies Limited:

- Tripartite agreement dated September 2, 2024 executed amongst our Company, NSDL and KFin Technologies Limited; and
- Tripartite agreement dated September 11, 2024 amongst our Company, CDSL and KFin Technologies Limited.

### **Market Lot and Trading Lot**

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one Equity Share. Allotment in this issue will be only in dematerialised and electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Issue Procedure*” on page 572.

## **Joint Holders**

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## **Jurisdiction**

The courts of New Delhi, India will have exclusive jurisdiction in relation to this Issue.

## **Period of operation of subscription list**

See “– Bid/Issue Programme” on page 562.

## **Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination / cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, as amended, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## **Bid/Issue Programme**

<b>BID/ISSUE OPENS ON</b>	<b>TUESDAY, NOVEMBER 19, 2024<sup>(1)</sup></b>
<b>BID/ISSUE CLOSES ON</b>	<b>FRIDAY, NOVEMBER 22, 2024<sup>(2)</sup></b>

- (1) Our Company in consultation with BRLMs may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/issue Opening Date will be one Working Day prior to the Bid/Issue Opening Date, being November 19, 2024.
- (2) UPI mandate end time shall be at 5:00 pm on Bid/Issue Closing Date, i.e. November 22, 2024.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue closes on	Friday, November 22, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, November 25, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Tuesday, November 26, 2024
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, November 26, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, November 27, 2024

\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Book Running Lead Managers shall be liable for compensating the Bidder at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and such payment shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

**The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company, or the BRLMs.**

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges.

In terms of the SEBI Master Circular and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, our Company shall within two days from the closure of the Issue, refund the subscription amount received in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing



hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as prescribed by SEBI. In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/Issue Period (except the Bid/Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
<b>Bid/Issue Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs, Eligible Employees Bidding in the Employee Reservation Portion, and Eligible Shareholders Bidding in the Shareholders Reservation Portion	Only between 10.00 a.m. up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹ 0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/Revision/cancellation of Bids#</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs , Eligible Employees Bidding in the Employee Reservation Portion and Eligible Shareholders Bidding in the Shareholders’ Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

\*UPI mandate end time and date shall be at 5:00pm on November 22, 2024.

# QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids

**On the Bid/ Issue Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders;
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs, Eligible Employees Bidding in the Employee Reservation Portion, and Eligible Shareholders Bidding in the Shareholders Reservation Portion.

On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, Eligible Employees under the Employee Reservation Portion, and Eligible

Shareholders Bidding in the Shareholders Reservation Portion after taking into account the total number of Bids received up to the closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

**To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.**

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and in any case no later than 1:00 p.m. IST on the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Issue Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

### **Minimum Subscription**

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Issue Closing Date on the date of closure of the Issue; or the minimum subscription of 90% of the Issue on the date of closure of the Issue; or if the subscription level falls below the thresholds mentioned above after the Bid/Issue Closing Date on account of withdrawal of applications or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master Circular and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 . If there is a delay beyond two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company, shall be liable to pay interest on the application money in accordance with applicable laws.

Under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

#### **Arrangements for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

#### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares and on their consolidation or splitting**

Except for lock-in of the pre-Issue capital of our Company, lock-in of the Promoters' minimum contribution and Anchor Investor lock-in under the SEBI ICDR Regulations, as detailed in "*Capital Structure*" on page 113 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transfer and transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Description of Equity Shares and Terms of Articles of Association*" beginning on page 598.

#### **Withdrawal of the Issue**

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue, in whole or in part thereof, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMS shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the BRLMs withdraws the Issue at any stage and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Issue is also subject to (i) the filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

## ISSUE STRUCTURE

Initial public offering of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹ 100,000.00 million.

This Issue includes a reservation of up to [●] Equity Shares aggregating up to ₹ 2,000.00 million (constituting up to [●]% of the post- Issue paid-up Equity Share Capital of our Company) for subscription by Eligible Employees (The “**Employee Reservation Portion**”) as well as a reservation of up to [●] Equity Shares aggregating up to ₹ 10,000.00 million (constituting up to [●]% of the post- Issue paid-up Equity Share Capital of our Company) for subscription by Eligible Shareholders (The “**Shareholders’ Reservation Portion**”). The Issue less the Employee Reservation Portion and the Shareholders’ Reservation Portion is hereinafter referred to as “Net Issue”.

The Issue and Net Issue shall constitute [●]% and [●]% of the post Issue paid up Equity Share capital of our Company, respectively.

The Issue is being made through the Book Building Process.

Particulars	Shareholders Reservation Portion	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation <sup>*(2)</sup>	Up to [●] Equity Shares	Up to [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/ allocation	The Shareholder Reservation Portion shall not exceed [●]% of the post-Issue paid-up Equity Share capital, and shall not exceed 10% of the size of the Issue.	The Employee Reservation Portion shall not exceed [●]% of the post-Issue paid-up Equity Share capital	Not less than 75% of the Net Issue shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the Net QIB Portion	Not more than 15% of the Net Issue, or Net Issue less allocation to QIBs and RIBs. Further, (a) one third of such portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹1.00 million; and (b) two third of such portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, provided that the	Not more than 10% of the Net Issue or the Net Issue less allocation to QIBs and Non-Institutional Bidders

Particulars	Shareholders Reservation Portion	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
				unsubscribed portion in either the subcategories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate and in case of oversubscription subject to minimum bid lot; For details, see “ <i>Issue Procedure</i> ” on page 572.	Proportionate; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 0.20 million (net of Employee Discount). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 0.20 million (net of Employee Discount), subject to total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount).	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bid received from	The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations.	The minimum Bid Lot Allotment to each RIB shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on a proportionate basis. For details see, “ <i>Issue Procedure</i> ” on page 572.

Particulars	Shareholders Reservation Portion	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
			domestic Mutual Funds at or above the Anchor Investor Allocation Price		
Minimum Bid	[●] Equity Shares	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares not exceeding the size of the Shareholders Reservation Portion, so that the maximum Bid Amount by each Eligible Shareholder in this portion does not exceed ₹ 0.20 million.	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹ 0.50 million, less Employee Discount.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Net Issue (excluding Anchor Investor Portion), subject to the applicable limits for each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Net Issue (excluding the QIB Portion), subject to the applicable limits for each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Allotment	Compulsorily in dematerialized form				
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter				
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share				
Trading Lot	One Equity Share				
Who can apply <sup>(3) (4)</sup>	Eligible Shareholders	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs, VCFs, AIFs, multi-lateral and bilateral financial institutions, state industrial development corporation, insurance	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	Shareholders Reservation Portion	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
			company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government through resolution F. No.2/3/2005-DD-II dated November 23, 2005, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.		
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> <b>In case of all other Bidders:</b> Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form				
Mode of Bidding <sup>^</sup>	Only through ASBA process (including UPI Mechanism for a bid size of up to ₹0.20 million)	Only through the ASBA process (including the UPI Mechanism)	Only through ASBA process (excluding UPI mechanism) only (except for Anchor Investors).	Only through ASBA process (including UPI Mechanism for a bid size of up to ₹0.50 million)	Only through the ASBA process (including the UPI Mechanism)

\* Assuming full subscription in the Issue

<sup>#</sup> Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 0.50 million (net of Employee Discount). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 0.20 million (net of Employee Discount). In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid, for a value in excess of ₹ 0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and Shareholders Reservation Portion (subject to qualifying the eligibility criteria and applicable limits), and such Bids will not be treated as multiple Bids subject to applicable limits. Also, undersubscription, if any, in the Employee Reservation Portion or the Shareholders Reservation Portion, may be added to other reserved category and the unsubscribed portion, if any, after such inter-se adjustments among such reserved categories, shall be added to the Net Issue.

<sup>^</sup> SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

<sup>(1)</sup> Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii)

minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details, see "Issue Structure" on page 567.

- (2) This Issue is made in accordance with the Rule 19(2)(b) of the SCRR and is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
- (3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Issue and Shareholders Reservation Portion (subject to qualifying the eligibility criteria and applicable limits), and such Bids will not be treated as multiple Bids subject to applicable limits. If an Eligible Shareholder is Bidding in the Shareholder Reservation Portion, application by such Eligible Shareholder in the Retail Portion, Non-Institutional Portion and Employee Reservation Portion (if eligible and subject to applicable limits) will not be treated as multiple Bids. Therefore, Eligible Shareholders Bidding in the Shareholder Reservation Portion can also Bid under the Net Issue and Employee Reservation Portion (if eligible and subject to applicable limits) and such Bids will not be treated as multiple Bids. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

Bids by FPIs with certain structures as described under "Issue Procedure - Bids by FPIs" on page 580 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

**Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares**

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion, the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see "Terms of the Issue" on page 560.



## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Submission of Bid cum Application Form; (viii) other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) interest in case of delay in allotment or refund; and (xiii) disposal of applications (xiii) disposal of applications and electronic registration of bids

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), discontinued the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”).

Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offerings and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). In terms of Regulation 23(5)

and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, in accordance with the SEBI Master Circular, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI Master Circular, has reduced the timelines for refund of Application money to four days. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.*

*Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Issue shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Issue Opening Date.*

### **Book Building Procedure**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process and is in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(2) of the SEBI ICDR Regulations, not less than 75% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, subject to availability of Equity Shares in the respective categories, not more than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not more than 10% of the Net Issue shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Furthermore, up to [●] Equity Shares, aggregating up to ₹ 2,000.00 million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Issue Price, if any. Furthermore, up to [●] Equity Shares of face value of ₹10 each, aggregating up to ₹ 10,000.00 million shall be made available for allocation on a proportionate basis only to Eligible Shareholders in the Shareholders Reservation Portion, subject to valid Bids being received at or above the Issue Price, if any.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of

categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million. The undersubscription, if any, in the Employee Reservation Portion or the Shareholders Reservation Portion, may be added to other reserved category and the remaining unsubscribed portion, if any, after such inter-se adjustments among such reserved categories, shall be added to the Net Issue.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the CBDT dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021, read with press release dated September 17, 2021. CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, in compliance with applicable laws.**

#### **Phased implementation of Unified Payments Interface for Bids by UPI Bidders as per the UPI Circulars**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implanted the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019, until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be

undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs.

UPI Bidders using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank

account UPI ID are liable for rejection. UPI Bidders using the UPI Mechanism may also apply through the mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below: (i) RIBs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. (ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. (iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis <sup>(1)</sup>	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>(1)</sup>	Blue
Anchor Investors <sup>(2)</sup>	White
Eligible Employees bidding in the Employee Reservation Portion <sup>(3)</sup>	Pink
Eligible Shareholders Bidding in the Shareholders Reservation Portion	Green

\*Excluding electronic Bid cum Application Forms

Notes:

- (1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))
- (2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs
- (3) The Bid Cum Application Forms for Eligible Employees will be available at our Registered Office

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than RIBs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Bank to initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders using through the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to the issuer. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with bankers to the issuer and Sponsor Banks on a continuous basis.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

Pursuant to NSE circular dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.
- b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
- c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 pm on the initial public offer closure day.
- d. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

#### **ELECTRONIC REGISTRATION OF BIDS**

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue, subject to applicable laws.
- (b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.
- (d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 –Block Request Accepted by Investor/ Client. , based on responses/status received from the Sponsor Bank.

**Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members and persons related to Promoter/Promoter Group/ the BRLMs**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLMs;
- (ii) insurance companies promoted by entities which are associate of the BRLMs;
- (iii) AIFs sponsored by the entities which are associate of the BRLMs;
- (iv) FPIs other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLMs; or
- (v) Pension fund sponsored by entities which are associate of the BRLMs

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue. Further, persons related to the Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion. A qualified institutional buyer who has any of the following rights in relation to our Company shall be deemed to be a person related to the Promoters or Promoter Group of our Company:

- (i) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group of our Company;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

**Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour). Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

Participation of Eligible NRIs in the Issue shall be subject to compliance with the FEMA Non-debt Rules. In accordance with the FEMA Non-debt Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 596. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Rules.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, are required to be made in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.



## Bids by FPIs

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non-Debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure “MIM Structure”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids will be rejected.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The SEBI VCF Regulations *inter alia* prescribe the investment restrictions on VCFs, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs or FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 0.50 million (net of Employee Discount). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allocation, such unsubscribed portion may be allocated on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million.

The Allotment in the Employee Reservation Portion will be on a proportionate basis.

Subsequent undersubscription, if any, in the Employee Reservation Portion may be added to other reserved category i.e. Shareholders Reservation Portion and the remaining unsubscribed portion, if any, after such inter-se adjustments among such reserved categories, shall be added to the Net Issue.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.*, pink colour form).
- (b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.
- (c) Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
- (d) Only those Bids, which are received at or above the Issue Price, net of Employee Discount, would be considered for Allotment under this category.
- (e) Eligible Employees can apply at Cut-off Price.
- (f) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (g) Under-subscription, if any, in the Employee Reservation Portion will be added to the other reserved category (*i.e.* Shareholders Reservation Portion) and the remaining unsubscribed portion, if any, after such inter-se adjustments among such reserved categories, shall be added to the Net Issue.
- (h) An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Shareholders Reservation Portion and also in the Non-Institutional Portion or the RIB Portion and such Bids will not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories

In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis.

Please note that any individuals who are directors, employees or promoters of (a) the Lead Managers, Registrar to the Issue, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such Lead Managers, Registrar to the Issue or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

### **Bids by Eligible Shareholders**

Bids under the Shareholders Reservation Portion shall be subject to the following:

- i. Only Eligible Shareholders as at the date of this Red Herring Prospectus would be eligible to apply in this Issue under the Shareholders Reservation Portion.
- ii. The sole/ First Bidder shall be an Eligible Shareholder.
- iii. Only those Bids, which are received at or above the Issue Price, would be considered under this category.
- iv. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter
- v. Eligible Shareholders Bidding in the Shareholders Reservation Portion can Bid up to a maximum Bid Amount of ₹ 0.20 million. Further, Eligible Shareholders Bidding in the Shareholders Reservation Portion can also Bid in the Employee Reservation Portion as well as in the RIB Portion and the NII Portion, and such Bids will not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- vi. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Shareholders to the extent of their demand.
- vii. Under-subscription, if any, in any category including the Shareholders Reservation Portion and the Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.
- viii. Eligible Shareholders Bidding under the Shareholders Reservation Portion are entitled to Bid at the Cut-off Price.
- ix. Eligible Shareholders Bidding under the Shareholders Reservation Portion would need to have a valid PAN and their PAN should be updated with the register of shareholders maintained with our Corporate Promoter. Further, Eligible Shareholders Bidding under the Shareholders Reservation Portion would need to have a valid demat account, as Equity Shares can only be Allotted to Eligible Shareholders having a valid demat account.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves as per the last audited balance sheet or a subsequent balance sheet, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services and non-financial services cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

- (a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer.
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, NBFC-SI, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLMs may deem fit.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Bids by Anchor Investors**

- (a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.
- (b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.
- (c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.
- (d) Bidding for Anchor Investors opened one Working Day before the Bid/Issue Opening Date, and was completed on the same day.
- (e) Our Company, in consultation with the BRLMs finalised allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion was not less than:
  - maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
  - minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
- (f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, was made available in the public domain by the BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchanges.
- (g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

- (h) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
- (i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) could apply in the Issue under the Anchor Investor Portion. For details, see “-Participation by Promoters and members of the Promoter Group of the Company, the BRLMs and the Syndicate Members and persons related to Promoter/Promoter Group/ the BRLMs” on page 578.
- (j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids
- (k) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

**For more information, please read the General Information Document.**

**In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

**Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.**

#### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders, Eligible Employees bidding in the Employees Reservation Portion and Eligible Shareholders bidding in the Shareholders' Reservation Portion can revise or withdraw their Bid(s) until the Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

**Do's:**

1. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 read with press releases dated June 25, 2021, September 17, 2021;
2. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number) in the Bid cum Application Form if you are not an UPI bidding using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
9. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the ASBA account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders Bidding using the UPI Mechanism);
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
14. UPI Bidders Bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;



15. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
16. UPI Bidders in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. UPI Bidders who wish to Bid using the UPI Mechanism, should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
26. Since the Allotment will be in demat form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as

applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

27. RIBs, Eligible Employees bidding in the Employee Reservation Portion and Eligible Shareholders bidding in the Shareholders' Reservation Portion who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
28. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/ Issue Closing Date;
29. Bidders in the Shareholders Reservation Portion should ensure that they have a valid PAN and their PAN is updated with the register of shareholders maintained with our Corporate Promoter, as the case may be;
30. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
31. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and
33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account;

7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Form ASBA Account;
9. If you are an UPI Bidder are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
10. Anchor Investors should not Bid through the ASBA process;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares more than what is specified for each category;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);
22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
25. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
26. Do not Bid if you are an OCB;

27. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
28. Do not submit the Bid cum Application Forms to any non-SCSB bank; and
29. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder using the UPI Mechanism).
30. Do not Bid for a Bid Amount exceeding ₹ 0.20 million (for Bids by Retail Individual Bidders); and
31. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism.

### **Grounds for technical rejection**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

- (a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- (b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
- (c) Bids submitted on a plain paper;
- (d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- (e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
- (f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;
- (g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- (h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
- (i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- (j) Bids submitted without the signature of the First Bidder or Sole Bidder;
- (k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- (l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- (m) GIR number furnished instead of PAN;
- (n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;
- (o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- (p) Bids accompanied by stock invest, money order, postal order, or cash; and Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Issue Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Issue Closing Date, unless extended by the Stock Exchanges. On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out the Company Secretary and Compliance Officer. For further details

of the Company Secretary and Compliance Officer, see “*General Information*” and “*Our Management*” on pages 103 and 252, respectively.

For helpline details of the Book Running Lead Managers pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information - Book Running Lead Managers*” on page 104.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “*General Information*” on page 103.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs to the extent applicable.

Further, for helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information - Book Running Lead Managers*” on page 104.

Our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares through this Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted

shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “NTPC GREEN ENERGY LIMITED - ANCHOR RESIDENT”
- (b) In case of Non-Resident Anchor Investors: “NTPC GREEN ENERGY LIMITED - ANCHOR NON RESIDENT”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, an English national daily newspaper, (ii) all editions of Jansatta, a Hindi national daily newspaper, (Hindi also being the regional language of Delhi where our Registered Office is located), each with wide circulation.

In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **Allotment Advertisement**

**The Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Issue, before 9 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the equity shares of the Issuer are proposed to be listed, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.**

Our Company, the BRLMs and the Registrar to the Issue shall publish an allotment advertisement not later than one day after the date of commencement of trading, disclosing the date of commencement of trading in: (i) all editions of Financial Express, an English national daily newspaper, (ii) all editions of Jansatta, a Hindi national daily newspaper, (Hindi also being the regional language of Delhi where our Registered Office is located), each with wide circulation.

**The information set out above is given for the benefit of the Bidders/applicants. Our Company, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification**

**or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company (to the extent applicable);

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- No further issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc
- Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue, in whole or in part thereof, after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.
- That if the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Issue subsequently;
- That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received;
- If our Company, in consultation with the BRLMs withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.
- Promoters' contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- It shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue;

#### **Utilisation of Issue Proceeds**

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Our Company, specifically confirms and declares that all monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. The FDI Policy will be valid and remain in force until superseded in totality or in part thereof. For further details, see “*Key Regulations and Policies in India*” on page 236.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 579.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 572.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

### Foreign Exchange Laws

The foreign investment in our Company is governed by *inter alia* the FEMA, the FEMA Rules, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Rules, the total holding by any individual NRI, on a non-repatriation basis and repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. For details of the

aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 579.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (a) to persons in the United States that are “qualified institutional buyers” (as defined in and in reliance on Rule 144A and referred to in this t Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and (b) outside the United States in “offshore transactions” (as defined in Regulation S) in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or Regulations.**

## **SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*This set of Articles of Association has been approved pursuant to the provisions of section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of NTPC Green Energy Limited (the "Company") held on September 10, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.*

*The Articles of Association of the Company comprise two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other until the date of receipt of final listing and trading approvals from the Stock Exchanges for the listing and trading of the Equity Shares pursuant to the initial public offering by our Company ("Listing"). In case of any inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall prevail and be applicable until Listing. However, all provisions of Part B shall automatically stand deleted and cease to have any force and effect from the date of receipt of final listing and trading approvals from the Stock Exchanges for the listing and trading of the Equity Shares pursuant to the initial public offering by the Company, and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by our Company or by its shareholders..*

### **PART A**

#### **INTERPRETATION**

##### **1. DEFINITIONS**

In these Articles, the following expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter assigned to them:

- 1.1 "Act" means Companies Act, 2013, and the rules framed thereunder, and any amendments, re-enactments or other statutory modifications thereof for the time being in force
- 1.2 "Applicable Law" mean any statute, law, regulation, ordinance, rule, notification, rule of common law, Order, bye-law, government approval, directive, guideline, requirement or other governmental restriction applicable to the jurisdiction of India, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law, by any governmental authority having jurisdiction over the matter in question, as may be amended, modified, enacted or revoked from time to time hereafter;
- 1.3 "Articles" or "AOA" means the Articles of Association of the Company as amended from time to time in accordance with provisions of the Act .
- 1.4 'Beneficial Owner' means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act,1996;
- 1.5 "Board" or "Board of Directors" means the collective body of the Directors of the Company.
- 1.6 "Capital" means the capital for the time being raised or authorised to be raised for the purpose of the Company.
- 1.7 "Chairman" means the chairman of the Board (including any committee thereof) or a General Meeting, as the context may require, appointed from time to time.
- 1.8 "The Company" or "this Company" means NTPC Green Energy Limited
- 1.9 "Dematerialisation" is the process by which shareholder/debenture holder can get physical share/debenture certificates converted into electronic balances in his account maintained with the participant of a Depository.

- 1.10 “Depositories Act” means Depositories Act, 1996 or any statutory modification or re-enactment thereof.
- 1.11 “Depository” means a company formed and registered under the Act and which has been granted a certificate of registration under the provisions of the Securities and Exchange Board of India Act, 1992 and functions under the Depositories Act, 1996.
- 1.12 “Director” or “Directors” means a director or directors of the Company or his/their Alternate Director(s) appointed in accordance with AOA.
- 1.13 “Dividend” includes any interim dividend.
- 1.14 “Executor” or “Administrator” means a person who has obtained probate or letter of administration, as the case may be, from the Competent Court.
- 1.15 “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.
- 1.16 “Key Managerial Personnel” means personnel defined under Section 2(51) of the Act.
- 1.17 “Member” or “Members” means (i) the subscriber to memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as a member in its register of members;
- a) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company;
  - b) every person holding shares of the Company and whose name is entered as a beneficial owner in the record of a depository.
- 1.18 “Memorandum” or “MOA” means the Memorandum of Association of the Company as amended from time to time in accordance with the provisions of the Act
- 1.19 “Month” means Calendar Month.
- 1.20 “Office” means the Registered office of the Company for the time being.
- 1.21 “Person(s)” means any natural person, central or state government, corporation, company, body corporate, partnership firm, voluntary association, joint venture, trust, society, unincorporated organization, authority or any other entity.
- 1.22 “Proxy” means an instrument whereby any person is authorized to vote for a member at a General Meeting on a poll.
- 1.23 “Register” means the Register of Members pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;
- 1.24 “Registered Owner” means a Depository whose name is entered as such in the records of the Company.
- 1.25 “Rematerialization” is the process of conversion of electronic holdings back into the physical form and issue of fresh share/debenture certificate(s) in favour of share/debenture holder(s).
- 1.26 “Shareholders” means and include any person who becomes the shareholder, holding Shares of the Company from time to time in accordance with the provisions of the Agreement and the Articles.
- 1.27 "Seal" means the common seal of the Company for the time being.

- 1.28 “Secretary” means the Secretary for the time being of the Company appointed by the Board in accordance with the provisions of the Act.
- 1.29 ‘Security’ or “Shares” means all classes of shares in the Share Capital issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such shares and shall be deemed to include all bonus shares issued in respect of such shares and shares issued pursuant to a stock split in respect of such shares and shall for avoidance of doubt include Equity Shares and preference shares;
- 1.30 “The President” means the President of India, acting through the Ministry of Power, Government of India.
- 1.31 “Singular Number” – words importing singular number shall include, where the context permits, plural number and vice-versa.
- By the same token, words importing masculine gender shall include where the context permits, feminine gender and vice-versa.
- 1.32 “Stock Exchanges” shall mean BSE Limited and the National Stock Exchange of India Limited or such other stock exchange as the Board may deem fit.
- 1.33 “Transfer” means to transfer, sell, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily.
- 1.34 “Written” or “In writing” shall include printing, lithographing and other modes of representing or reproducing words in a visible form.
- 1.35 Except where the context requires otherwise, these Articles will be interpreted as follows:
- a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles;
  - b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;
  - c) words importing the singular shall include the plural and vice versa;
  - d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;
  - e) the expressions “hereof”, “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;
  - f) the ejusdem generis (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, include and including will be read without limitation;
  - g) any reference to a person includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in these Articles shall, where the context permits, include such person’s executors, administrators, heirs, legal representatives and permitted successors and assigns;
  - h) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
    - a. that statute or statutory provision as from time to time consolidated, modified, re- enacted or replaced by any other statute or statutory provision; and

- b. any subordinate legislation or regulation made under the relevant statute or statutory provision;
- i) references to writing include any mode of reproducing words in a legible and non-transitory form;
- j) references to Rupees, Rs., Re., INR, ₹ are references to the lawful currency of India; and

save as aforesaid, any words or expression defined in the Act shall, if not inconsistent with the subject pr context bear the same meaning in these Articles.

## **2. CONSTITUTION**

- 2.1 The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.
- 2.2 The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013.

## **3. Share Capital and variation of rights**

- 3.1 The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights including as to voting, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
- 3.2 Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of, or lent on security, the shares of the Company and the Company shall not give directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provisions of security or otherwise, for the purpose of, or in connection with any purchase of or subscription for Shares in the Company.
- 3.3 Subject to the provisions of Section 55 of the Act the Company shall have power to issue Preference Shares, carrying a right of redemption or liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may, Special Resolution, determine. The Company may exercise such power in any manner prescribed by the resolution authorising the issue of such shares, accordance with the provisions of the Act
- 3.4 Subject to the provisions of section 62 of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

- 3.5 Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment in full or part for any property (including payment made for an acquisition of land and other properties, business) sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as aforesaid.
- 3.6 An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member.
- 3.7 The money (if any) which the Board, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company, from the allottee thereof and, shall be paid by him accordingly.
- 3.8 If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.
- 3.9 The Company may on the issue of more than one class of shares differentiate between the holders of shares of different classes as to the amount of calls to be paid and the times of payment. Where any calls for further share capital are made on shares, such calls be made on a uniform basis on all shares falling under the same class.
- 3.10 The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members / Debenture Holders or any other security(ies) as may be issued by the Company from time to time on paper or in any electronic mode in accordance with section 88 and other applicable provisions of the Act and the Depositories Act, 1996 with the details of Shares/Debentures/other Securities held in physical and dematerialised form in any medium as may be permitted by law including in any form of electronic mediumThe Register and Index of Beneficial Owner maintained by a Depository under section 11 of the Depositories Act, 1996 shall also deemed to be the Register and Index of Members/ Debenture-holders for the purpose of the Act and any amendment or re-enactment thereof. The Company shall have power to keep in any State or Country outside India, Register of Members/ Debenture holders for the resident in that State or Country.
- 3.11 The Register and the Index of Members shall be open to inspection of any members without any payment and to inspection of any other persons on payment of Rupee Ten or such lesser sum as the Company may prescribe for each inspection. Any such member or person may take extracts there from.
- 3.12 The Company shall send to any member on request extracts/copy of the Register or of the list and summary required under the Act on payment of such sum as specified in the Act from time to time.

#### **4. DEMATERILISATION OF SECURITIES**

- 4.1 Subject to the provisions of the Act, either the Company may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the share certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.

- 4.2 Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both present and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any;
- 4.3 Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold securities with a Depository. Such a person who is the beneficial owner of securities can at any time opt out of a Depository, if permitted by law, in respect of any security and the Company shall, in the manner and within the time prescribed provided by the Depositories Act, 1996 issue to the beneficial owner the required Certificates of Securities.
- If a person opts to hold his security with a depository, then notwithstanding anything to the contrary contained in the Act or in these Articles, the Company shall intimate such Depository the details of allotment of the security and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.
- 4.4 All securities held by a Depository shall be dematerialized and shall be in fungible form.
- 4.5 Notwithstanding anything to the contrary contained in the Act or in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner;
- 4.6 Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it;
- 4.7 Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member/ debentureholder, as the case may be, of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.
- Except as ordered by a court of competent jurisdiction or by Applicable Law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.
- 4.8 Notwithstanding anything to the contrary contained in the Act or in these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs or as may be prescribed.
- 4.9 All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.
- 4.10 Notwithstanding anything to the contrary contained in the Act or these Articles, after any issue where the securities are dealt with by a Depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- 4.11 Nothing contained in the Act or in these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held by a Depository.



- 4.12 The Company shall cause to be kept a register and index of Members with details of securities held in re-materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.
- 4.13 Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
- 4.14 Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.
- 4.15 The Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

## **5. CERTIFICATES**

- 5.1 (a) Every person, whose name is entered as a member or debenture holder in the Register of members or Register of Debenture holders shall be entitled to receive within two months after incorporation in case of subscribers to the Memorandum or after allotment or within one month after the application for the registration of transfer or transmission or sub-division, consolidation or renewal of any of its shares, within such other period as the conditions of issue shall be provided:
- one certificate for all his shares of each class or denomination registered in his name, without payment of any charges; or
  - several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (b) Every certificate shall specify the number and distinctive numbers of shares to which it relates and the amount paid-up thereon and shall be signed by two Directors or by a Director and the company secretary, wherever the Company has appointed a company secretary:
- (c) Provided that in case the Company has a common Seal it shall be affixed in the presence of the persons required to sign the certificate.
- (d) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (e) Provided that in case of securities held by the Member/Bond/ Debenture holder in dematerialised form, no Share/Bond/ Debenture Certificate(s) shall be issued.

5.2 Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Board so approve (upon paying such fee as the Board so time determines ) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.

5.3 If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Board shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

5.4 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **6. LIEN**

6.1 The Company shall have a first and paramount lien on every share or debentures (not being a fully paid share or debentures) for all moneys called or payable at a fixed time in respect of that share or debentures;. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares.

6.2 The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

6.3 Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien.

6.4 For the purpose of enforcing such lien the Board may sell the shares/debentures subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares/debentures and may authorise one of its member to execute a transfer thereof on behalf of and in the name of such Member or debentureholders. The purchaser shall be registered as the holder of the shares comprised in any such transfer.

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

- 6.5 The Company may sell, in such manner as the Board thinks fit, any shares or debentures on which the Company has a Lien:

Provided that no sale shall be made unless a sum in respect of which the Lien exists is presently payable; or, and until the expiration of fourteen days after a notice in writing of stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- 6.6 The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

The residue, if any, shall, subject to a like Lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

## **7. CALLS ON SHARES**

- 7.1 The Board may from time to time make upon the members or debenture holders in respect of all moneys unpaid on the Shares/ debentures held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the condition of allotment thereof made payable at fixed times and each member/ debenture holders shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by instalments.

Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

Provided, however, that the Board may from time to time at the discretion revoke or extend the time fixed for the payment of any call.

- 7.2 If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the Share/debenture in respect of which a call shall have been made shall pay interest, from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

- 7.3 A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

- 7.4 The joint holder of a Share/debenture shall be jointly and severally liable to pay all calls in respect thereof.

- 7.5 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.

- 7.6 The Board shall be at liberty to waive payment of any such interest wholly or in part.

- 7.7 The Board may, if it think fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the money due upon the Share held by him and, (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the Member paying the sum in advance.

The Directors may at any time repay the amount so advanced.

- 7.8 If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
- 7.9 All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

## **8. TERM OF ISSUE OF DEBENTURES**

- 8.1 Any debentures, debenture-stock or other Securities may, if permissible under applicable law, be issued at a discount, premium or otherwise by the Company and shall, with the consent of the Board, be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. Provided further that the Company shall not issue any debentures carrying any voting rights.

## **9. TRANSFER OF SHARES/DEBENTURES**

- 9.1. The Company shall maintain a Register of Transfers and therein shall be fairly and distinctively entered the particulars of every transfer or transmission of any share/ debenture as per Act and other Applicable Law
- 9.2. a) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.
- b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 9.3. The provisions relating to transfer of shares shall apply mutatis mutandis to transfer of debentures/bonds.
- 9.4. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- 9.5. a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
- 9.6. The Board may, subject to the right of appeal conferred by the section 58 of the Act and other applicable provisions of the Act or any other law for the time being in force, decline to register the transfer or the transmission by operation of law of the right to—
- (a) any share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any shares on which the Company has a Lien.

The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

- 9.7. The instrument of transfer duly stamped and executed by the transferor and the transferee and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act; shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by the Share Certificate or such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The instrument of transfer is in respect of only one class of shares. Any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.
- 9.8. The transferor shall be deemed to be the holder of such shares until the name of the transferee have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company along with Transfer Deed.
- 9.9. No transfer shall be made to a person of unsound mind or to an insolvent.
- 9.10. On giving not less than seven days' previous notice in accordance with section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

- 9.11. a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
- 9.12. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

## **10. TRANSMISSION OF SHARES/DEBENTURES/BONDS/DEPOSITS**

- 10.1. A nominee, upon production of such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board may require and upon such indemnity as may be required by the Board and subject as hereinafter provided, elect, either-
- 10.2. a) to be registered himself as holder of the Share/Bond/Debenture or Deposits, as the case may be; or

- 10.3. b) to make such transfer of the Share/Bond/Debenture or deposits, as the case may be, as deceased Share/Bond/ Debenture holder or Depositor could have made;

PROVIDED that if such persons shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with these Articles, and until he does so he shall not be freed from any liability in respect of such shares.

- 10.4. If the nominee elects to be registered as holder of the Share/ Bond/ Debenture or Deposits, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Share/Bond/Debenture holder or Depositor, as the case may be;

- 10.5. A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the Share/Bond/Debenture or Deposits except that he shall not, before being registered as a member in respect of his Share/Bond/Debenture or Deposits be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company,

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share/Bond/Debenture or Deposits, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the Share/Bond/Debenture or deposits, until the requirements of the notice have been complied with.

## **11. FORFEITURE OF SHARES**

- 11.1 If any member/debentureholder fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

- 11.2. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which the payment required by the notice is to be made; and. The notice shall also state that, in the event of non-payment of calls at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

- 11.3. If the requirement of any such notice as aforesaid shall not be complied with, every or any share/debenture in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect.

- 11.4. Any share/debenture so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of; either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

- 11.5. Any member/debentureholder whose shares/debenture have been forfeited shall, shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares or debentures at the time of the forfeiture, together with interest thereon from the time of forfeiture, until payment at such rate not exceeding 10 percent per annum as the Board may determine and the Board may enforce the payment thereof as it thinks fit.

The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

- 11.6. a) A declaration in writing that the declarant is a Director or Secretary of the Company and that a share/debenture in the Company has been duly forfeited in accordance with these articles on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
- b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- c) The transferee shall thereupon be registered as the holder of the share; and
- d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share
- 11.7. a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 11.8. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## **12. FURTHER ISSUE OF SHARES**

- 12.1. Where at any time the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:
- a) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iii) below;
- (i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined:
- Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;
- (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) above shall contain a statement of this right;
- (iii) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company.
- b) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under Applicable Law; or

c) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in Article 12(a) or Article 12(b) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder.

12.2. Nothing in sub-article (iii) of Article 11.1 shall be deemed:

a) To extend the time within which the offer should be accepted; or

b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares compromised in the renunciation.

12.3. Nothing in Article 11.1 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company.

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in General Meeting.

12.4. Notwithstanding anything contained in Article 11.3 hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. In determining the terms and conditions of conversion, the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

### **13. ALTERATION OF CAPITAL**

13.1. Subject to the provision of the Act, the Board may with the sanction of the Company in a General Meeting, increase the Share capital by the creation of new Shares of such amount, as the resolution shall prescribe.

13.2. Subject to the provisions of section 61, the Company may in General Meeting by an ordinary Resolution alter the conditions of its Memorandum as follows:

a) Consolidate and divide all or any of its Share capital into Shares of larger amounts than its existing Shares.

b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;



c) Sub-divide Shares or any of them into Shares of smaller amounts than originally fixed by the Memorandum of Association subject nevertheless to the provisions of the Act in that behalf.

d) Cancel Shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its Share capital by the amount of the Shares so cancelled.

13.3. Where shares are converted into stock:

a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

13.4. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

a) its share capital;

b) any capital redemption reserve account; or

c) any share premium account.

#### **14. MODIFICATION OF RIGHTS**

14.1. If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied, with the consent in writing of the holders of at least three fourth of the nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate General Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis apply to every such separate meeting, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith.

#### **15. CAPITALISATION OF PROFITS**

15.1. a) The Company in General Meeting may, upon the recommendation of the Board, resolve:

- i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause 15.2, either in or towards:
- A. paying up any amounts for the time being unpaid on any shares held by such Members respectively;
  - B. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
  - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares; and
  - E. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- 15.2. a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - ii. generally do all acts and things required to give effect thereto.
- b) The Board shall have power:
- i. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions;
  - ii. to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares; and
- c) Any agreement made under such authority shall be effective and binding on such Members.

## **16. BUY-BACK OF SHARES**

- 16.1. Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified Securities.

## **17. GENERAL MEETINGS**

- 17.1. a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

b) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

- 17.2. General Meetings of the Company shall be held within such intervals as are specified in Section 96(1) of the Act and subject to the provisions of Section 96(2) of the Act, at such times and places as may be determined by the Board. Such General Meetings shall be called “Annual General Meetings” and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an “Extra-ordinary General Meeting”.
- 17.3. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated. Provided that Annual General Meeting the Company (so long it is an unlisted company) may be held at any place in India if consent is given in writing or by electronic mode by all the members in advance.
- 17.4. The Board may, whenever it think fit, and shall, call an Extraordinary General Meeting and Extraordinary General Meeting shall also be called on such requisition, or in default may be called by such requisitionists, as provided by the Act. If at any time there are not within India sufficient Directors capable of acting to form a quorum of a Board meeting, any Director may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be called by the Board.
- 17.5. The Company shall comply with the provisions of Section 111 of the Act so as to give notice of resolution and circulating statements on the requisition of members.
- 17.6. Save as provided in sub-section (1) of Section 101 of the Act, not less than clear twenty-one days’ notice shall be given of every General Meeting of the Company. Every notice of meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Where any such business consists of “special business” as hereinafter defined there shall be annexed to the notice a statement complying with Section 102 of the Act.
- 17.7. Notice of every meeting of the Company shall be given to every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, to the Auditor(s) of the Company and every director of the Company.
- 17.8. A general meeting may however be called after giving shorter notice than clear twenty-one days in terms of section 101(1) of the Act.

## **18. PROCEEDINGS AT GENERAL MEETINGS**

- 18.1. Special Business: Subject to the provisions of the Act, in the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to consideration of the financial statements and the reports of the Board of Directors and auditors, declaration of any dividend, appointment of Directors in place of those retiring and appointment of, and fixation of the remuneration of the auditors. Subject to the provisions of the Act, all other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.
- 18.2. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in section 103 of the Act.

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

- 18.3. The Company shall cause minutes of the proceedings of every General Meeting and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in a manner as prescribed under the Act and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered in accordance with section 118(1) of the Act. The books containing the minutes shall be open to inspection by any Member in accordance with section 119 of the Act.
- 18.4. Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 114(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114(2) of the Act.
- 18.5. No business shall be discussed at any General Meeting except the election of a chairman whilst the chair is vacant. Further business will be discussed after the chair is occupied.
- 18.6. The Chairman of the Board shall be preside as a chair at every General Meeting. If there be no such chairman, or if at any meeting Chairman shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose the Managing Director, if any, or in his absence another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall on a show of hands or on a poll if properly demanded, elect one of them to be the Chairman.
- 18.7. If within half-hour from the time appointed for the meeting a quorum be not present, the meeting if convened on requisition of Shareholders shall stand cancelled, but in any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such time and place as the Board may appoint by giving not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated. If at such adjourned meeting a quorum be not present, those members who are present, subject to minimum of two members, shall be a quorum and may transact the business for which the meeting was called.
- 18.8. In the case of an equality of votes, both on show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- 18.9. At any General Meeting, a resolution put to vote at the meeting shall be decided on a show of hands, unless a poll is (before or after the declaration of the result of the show of hands) demanded in accordance with provisions of the Act and unless a poll is so demanded, a declaration by Chairman of the General Meeting of the passing of a resolution or otherwise by show of hands and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.
- 18.10. Subject to the provisions of Section 109 of the Act, any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment of the meeting shall be taken at the meeting forthwith. In any other case poll shall be taken at such time not being later than 48 hours from the time when the demand was made, as the Chairman of the meeting may direct.
- 18.11. The demand of a poll, except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for transaction of any business other than the question on which a poll has been demanded.
- 18.12. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered by such poll, whose decision shall be final and conclusive.
- 18.13. On a poll a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

- 18.14. Minutes of proceedings of General Meeting shall be kept in books in terms of Section 118 of the Act and shall be initialled or signed as per Section 118 and Rules framed thereunder.
- 18.15. The books containing minutes of proceedings of any General Meeting of the Company or of a resolution passed by postal ballot shall be kept at the Registered Office of the Company and shall during business hours (subject to such reasonable restrictions as the Company in General Meeting may from time to time impose so that not less than two hours in each business day be allowed for inspection) be open to the member(s) for inspection without any charge.
- 18.16. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to above at a charge as may be provided in the Act.

## **19. ADJOURNMENT OF MEETING**

- 19.1. a) The Chairman may with the consent, at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## **20. VOTING RIGHTS**

- 20.1. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- a) on a show of hands, every Member present in person shall have one vote; and
- b) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.
- 20.2. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 20.3. Subject to the provisions of the Act a resolution may be passed by means of a postal ballot instead of transacting the business in General Meeting of the Company.
- 20.4. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on poll by his constituent or other legal guardian and any such constituent or guardian may on a poll, vote by proxy.
- 20.5. Subject to the provisions of the Act, no member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another, at any General Meeting or upon a poll or be

reckoned in quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the Shares of such member.

- 20.6. Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll, made in due time shall be referred to the Chairman who shall forthwith determine the same and such determination made in good faith shall be final and conclusive.
- 20.7. No objection shall be raised as to the qualification of any voter except at the meeting or poll at which such vote is tendered and every vote not disallowed at such meeting or poll, shall be valid for all purposes.
- 20.8. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- 20.9. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 20.10. No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

## **21. PROXY**

- 21.1. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a show of hands or on a poll. No member shall appoint more than one proxy to attend on the same occasion. A proxy shall not have the right to speak at a meeting. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing.
- 21.2. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarial certified copy of that power of attorney or other authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.
- 21.3. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.
- 21.4. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the Instrument, or transfer of the Share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the Share shall have been received by the Company at the office before the vote is given.

Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

## **22. BOARD OF DIRECTORS**

- 22.1. The first Directors of the Company were
  - a) Shri C.K.Mondol, Director (Commercial), NTPC
  - b) Shri Aditya Dar, ED (Finance), NTPC
  - c) Shri Vinay Kumar, RED (Hydro), NTPC

- 22.2. Subject to the provisions of the Act and these Articles, and until otherwise determined by the Company in General Meeting the number of Directors of the Company shall not be less than 3 and not more than 15. These Directors include a Chairman, Chairman and Managing Director, Managing Director, Functional Directors/Whole time Directors and Independent Directors. The Company shall have such number of independent Directors on the Board of the Company, as may be required in terms of the provisions of Applicable Laws and regulations. Further, the appointment of such independent Directors shall be in terms of, and subject to, the aforesaid provisions of Applicable Law.
- 22.3. a) The Chairman on the Board of the Company shall be appointed by the President.
- b) Subject to the provisions of the Act, all other members of the Board of the Company shall be appointed by the President.
- c) The President shall have the power to remove any directors from office at any time in its absolute discretion. The President shall have the right to fill any vacancies in the office of directors caused by such removal resignation, death or otherwise.
- 22.4. Subject to the provisions of Section 161 of the Act, the President may appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from India. An alternate Director appointed under this Article shall vacate office if and when the original Director returns to India. If the term of office of the original Director is determined before he so returns to India, any provision in the said Act or in these Articles for automatic re-appointment of retiring Directors in default of another appointment shall apply to the original Director and not to the alternate Director.
- 22.5. Subject the provisions of Section 161 and 169(7) of the Act, the Board shall have the power, at any time, and from time to time to appoint any person, as may be appointed by the President either as an additional director or to fill a casual vacancy occurring on account of the office of any Director appointed by the Company in General Meeting being vacated before his term of office would expire in the normal course, but so that the total number of Directors shall not at any time exceed the maximum fixed as above. Any person so appointed as an additional director shall retain his office only up to the date of the next Annual General Meeting or the last date on which the annual general meeting should have been held, whichever is earlier but shall be eligible for re-election at such meeting. Any person appointed to fill a casual vacancy as aforesaid shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.
- 22.6. The office of a Director shall ipso-facto become vacant if:
- a) he is of unsound mind and stands so declared by the competent Court; or
- b) he is an undischarged insolvent; or
- c) he has applied to be adjudicated as an insolvent and his application is pending; or
- d) any office or place of profit in the Company, its subsidiary company or associate company is held in contravention of Section 188 of the Act and by operation of that Section he is deemed to vacate office; or
- e) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; or
- f) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- g) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested; or

- h) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of section 184 of the Act; or
  - i) he resigns from the office by notice in writing addressed to the Company or to the Board; or
  - j) he becomes disqualified by an order of Court or the Tribunal; or
  - k) he is removed in pursuance of the provisions of the Act; or
  - l) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company; or
  - m) he incurs any of the disqualifications specified in section 164 of the Act; or
  - n) he is convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months. The office shall be vacated by the director even if he has filed an appeal against the order of such court.
- 22.7. The Company shall keep a Register in which shall be entered particulars of all contracts or arrangements in which any Director is concerned or interested directly or indirectly as required by the provisions of the Act.
- 22.8. A Director of this Company may be, or become a Director of any company promoted by this Company or in which it may be interested as a vendor, member or otherwise and no such Director shall be accountable for any benefits received as Director or member or shareholder of such company except in so far as provided under the Act.
- 22.9. a) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- b) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them:
- i. in attending and returning from meetings of the Board of Directors or any committee thereof or General Meetings of the Company; or
  - ii. in connection with the business of the Company.
- 22.10. The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 22.11. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 22.12. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
23. **PROCEEDING OF THE BOARD**
- 23.1. a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.



- b) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
- 23.2. Subject to the provisions of Section 173 of the Act, the Board of Directors shall hold a minimum number of four meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. Subject to provisions of Section 173 of the Act, a meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. However, a meeting of the Board may be called at shorter notice also to transact urgent business.
- 23.3. Subject to the provisions of Section 173 of the Act, a Director may at any time and the Secretary shall upon the request of a Director made at any time, convene a meeting of the Board.
- 23.4. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
- 23.5. The quorum for a meeting shall be determined from time to time in accordance with the provisions of Section 174 of the Act and other Applicable Laws. If a meeting of the Board could not be held for want of quorum (quorum being not present within 15 minutes from the time appointed for holding the meeting) the meeting shall stand adjourned until such day, time and place as may be determined by the Chairman of the Board and in the absence of the Chairman, by a Director authorised by the Board.
- 23.6. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion for the time being vested in or exercisable by the Board generally by or under these Articles or the Act.
- 23.7. Subject to provisions of the Act questions arising at any meeting shall be decided by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
- 23.8. The Board may subject to the provisions of the Act from time to time entrust to and confer upon any of the officers of the Company for the time being such of the powers as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it may think expedient and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 23.9. a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.
- b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 23.10. a) A committee may elect a Chairperson of its meetings.
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.
- 23.11. a) A committee may meet and adjourn as it thinks fit.
- b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the Members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

- 23.12. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a director.
- 23.13. Subject to the provisions of Section 175 of the Act and save in those cases where a resolution is required by the provisions of the Act to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or a committee of the Board as the case may be duly called and constituted, if a draft thereof in writing is circulated together with the necessary papers, if any, to all the Directors, or members of the committee of the Board, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act and has been approved by a majority of the directors or members, who are entitled to vote on the resolution.
- 23.14. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the Members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

## **24. MINUTES**

- 24.1. The Board shall in accordance with the provisions of Section 118 of the Act, cause minutes to be kept by making entries thereof in books provided for the purpose. The said books shall be maintained and the entries therein made, dated and signed in the manner provided by Section 118 of the Act.
- 24.2. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

Provided that no matter need be included in any such minutes which in the opinion of the Chairman of the meeting:

- a. is or could reasonably be regarded as defamatory of any person.
  - b. is irrelevant or immaterial to the proceedings or
  - c. is detrimental to the interest of the Company.
- 24.3. All such minutes shall be initialled or signed as provided under the Act.

## **25. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

- 25.1. Subject to the provisions of the Act,—
- a. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - b. A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 25.2. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied

by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **26. THE SEAL**

- 26.1. The Board shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.
- a. The Board shall provide for the safe custody of the Seal.
- b. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director and of the company secretary of the Company or such other person as the Board may appoint for the purpose; and Director and the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

Explanation: For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015 (21 of 2015), i.e., with effect from the May 29, 2015, Company may not be required to have the Seal by virtue of registration under the Act and if a Company does not have the Seal, the provisions of this sub-paragraph shall not be applicable.

## **27. DIVIDENDS AND RESERVE**

- 27.1. a. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 27.2. The Company in General Meeting may declare a Dividend to be paid to the members according to their rights and interest in the profits and may fix the time according to Section 123 of the Act for payment but no Dividend shall exceed the amount recommended by the Board.
- 27.3. a. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 27.4. No Dividend shall be declared or paid by the Company in any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-section (2) of Section 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of sub section (2), and remaining undistributed or out of both or out of moneys provided by the Government for the

payment of Dividend in pursuance of a guarantee given by the Government. No Dividend shall carry any interest as against the Company.

- 27.5. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
- 27.6. Subject to the provisions of section 123 to 127 of the Act, the Directors may, from time to time, pay to the members such interim Dividend as in their judgement, the position of the Company justifies.
- 27.7. The Board may retain any Dividend in respect of shares on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- 27.8. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or Dividend in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s) or otherwise howsoever either alone or jointly with any other person(s); and the Directors may deduct from the interest or Dividend payable to any member all sums of money so due from him to the Company.
- 27.9. The Board may retain the Dividend payable upon Shares in respect of which any person is entitled to become a member or which any person is entitled to transfer until such person shall become member in respect of such Shares or shall duly transfer the same.
- 27.10. The Company shall pay Dividend in proportion to the amount paid up or credited as paid up on such shares.
- 27.11. Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
- 27.12. A transfer of Shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- 27.13. Any one of the several persons, who are Registered as the joint holders of any Share, may give effectual receipts for all Dividends and payment on account of Dividend in respect of such Shares.
- 27.14. Unless otherwise directed any Dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to that one of them first names in the Register in respect of the joint holding or in any electronic mode. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any Dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by other means.
- 27.15. Notice of the declaration of any Dividend, whether interim or otherwise, shall be given to the holders of Shares in the manner hereinafter provided.
- 27.16. All Dividends unclaimed will be dealt with in accordance with the relevant provisions of the Act.
  - a. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".
  - b. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by

the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

- c. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

27.17. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

27.18. No dividend shall bear interest against the Company.

## **28. ACCOUNTS**

28.1. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of Members not being Directors.

28.2. No Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

28.3. There shall be attached to every financial statement laid before the Company in general meeting, a report by the Board of Directors complying with the provision of Section 134 of the Act. The report shall be signed in accordance with Section 134 of the Act

28.4. The Company shall comply with Section 137 of the Act as to filing of copies of the financial statements and all the documents required to be annexed or attached thereto with the Registrar.

## **29. AUDITS**

29.1. Once at least in every financial year the financial statements of the Company shall be examined and the correctness of the financial statements ascertained by one or more Auditors as provided in the Act.

29.2. The Auditor(s) of the Company shall be appointed or re-appointed as the case may be, by the Comptroller and Auditor General of India and his/their remuneration, rights and duties shall be regulated by Section 139 to 148 of the Act.

29.3. The Auditors of the Company shall be entitled to receive notice of and to attend any General Meeting of the Company at which any accounts which have been examined or reported on by them are to be laid down before the Company and make any statement or explanation they desire with respect to the accounts.

29.4. The Comptroller and Auditor General of India shall have powers:

- a. To direct the manner in which the Company's accounts shall be audited by the Auditor(s) appointed in pursuance of the Articles hereof and to give such Auditor(s) instructions in regard to any matter relating to the performance of his/their functions as such;
- b. To conduct a supplementary or test audit of the Company's account by such person(s) as he may authorise in this behalf and for the purposes of such audit to have access, at all reasonable times to all accounts, account books, voucher documents and all letters and other papers of the Company and to require information or additional information to be furnished to any person(s) so authorised on such matter, by such person(s) in such form as the comptroller and Auditor General of India may, by general or special order, direct;
- c. The Auditor(s) aforesaid shall submit a copy of his /their report to the Comptroller and Auditor General of India who shall have the right to comment upon or supplement the audit report in such manner as he may think fit. Any such comment upon or supplement to the Audit report

shall be placed before the Annual General Meeting of the Company at the same time and in the same manner as the audit report.

- 29.5. Every Financial statements of the Company when audited and adopted by the Company in General Meeting shall be conclusive.

### **30. WINDING UP**

- 30.1. If the Company shall be wound-up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital paid up or which ought to have been paid up on the Shares held by them respectively at the commencement of the winding-up. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

- 30.2. If the Company shall be wound up, whether voluntarily or otherwise the Liquidators, may, with the sanction of a Special Resolution, divide among the contributors, in specie or in kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the Liquidator, with the like sanction, shall think fit.

- 30.3. Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other Securities whereon there is any liability.

### **31. INDEMNITY**

- 31.1. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

### **32. BORROWING POWERS**

- 32.1. Subject to the provisions of Section 179 and 180 of the Act, the Board may by means of a resolution passed at a meeting of the Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purposes of the Company.

- 32.2. Subject to the provisions of the Act, the Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it think fit and in particular by the issue of Bonds, perpetual or redeemable Debentures or Debenture Stocks or any mortgage or charge or

other security on the property of the Company (both present and future) including the uncalled capital for the time being.

- 32.3. Any Bonds, Debentures, Debenture Stocks or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as it shall consider to be for the benefit of the Company.
- 32.4. Subject to Section 53, 54 and 71 of the Act, any Debentures, Debenture Stocks, Bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of Shares, appointment of Directors and otherwise. Debentures, Debenture Stocks, Bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- 32.5. Whenever any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the Shareholders or otherwise, to obtain priority over such prior charge.
- 32.6. The Directors shall cause a proper Register of charges to be kept in accordance with the provisions of Section 85 of the Act.

### **33. SERVICE OF NOTICE AND DOCUMENTS**

33.1. Save as provided under the Act or the rules made thereunder, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed under the Act. A member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its annual general meeting.

33.2. Where a notice or other document is sent by post;

Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice or document, provided that where a member has intimated to the Company in advance that notices or documents should be sent to him under a Certificate of posting or by Registered post with or without acknowledgement due and has deposited with the Company sufficient sum to defray the expenses of doing so, service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member, and

33.3. a) such services shall be deemed to have been effected –

- in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and
- in any other case, at the time at which the letter would be delivered in the ordinary course of post.

33.4. A notice or other document shall be served as per the provisions of the Act, on every member of the Company who has Registered address in India. Any member who has no Registered address in India shall, if so required to do by the Company, supply the Company with an address in India for the giving of notices to him.

33.5. A notice or other document may be served by the Company on the joint holders of a Share by giving the notice to the joint holder named first in the Register in respect of the Share.

33.6. A notice or other document may be served by the Company on the persons entitled to a Share or debenture in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address in India supplied for the purposes by the persons claiming to be

so entitled, or, until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

- 33.7. Notice of every General Meeting shall be given in the same manner herein before authorised to (a) every member of the Company and also to (b) every person entitled to a Share in consequence of the death or insolvency of member who but for his death or insolvency would be entitled to receive notice of the meeting provided the Company has been given due notice.
- 33.8. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement.
- 33.9. Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighbourhood of the Registered Office of the Company.
- 33.10. Any notice given by the advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.
- 33.11. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any Share shall be bound by every notice in respect of such Share which previous to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such Shares.
- 33.12. Subject to the provisions of the Article any notice or document delivered or sent by post or left at the Registered address of any member in pursuance of these Articles shall, notwithstanding such member being deceased and whether or not the company have notice of his death, be deemed to have been duly served in respect of any Registered Share, whether held solely or jointly with other persons by such members until some other person or persons be Registered instead of him as the holder or joint holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such Share.
- 33.13. Any notice to be given by the Company shall be signed by such Director or officers as the Board of Directors may appoint and such signature may be written, printed or lithographed.

#### **34. UNDERWRITING AND BROKERAGE**

- 34.1. Subject to the provisions of paying commissions conferred by sub-section (6) of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe for any shares in or debentures of the Company, or procuring, or agreeing to procure subscriptions for any shares in or debentures of the Company, but so that the commission shall not exceed such sum as may prescribed in rules made under sub-section (6) of section 40 of the Act. . Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in other.

The Company may pay a reasonable and lawful sum as brokerage.

#### **35. SECRECY**

- 35.1. Every Director, Secretary, Trustee for the Company, its members or Debenture holders, members of a committee, officer, servant, agent, accountant or other person employed in or about the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any General Meeting or by a Court of Law except so far as may be necessary in order to comply with any of the provisions contained in these Articles.



- 35.2. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board to require discovery of or any information respecting any detail of the trading of the company or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board will be inexpedient in the interest of the members of the Company to communicate to the public.

## **PART B**

Part B of the Articles of Association provides for, amongst other things, the special rights held by our Corporate Promoter, NTPC Limited. For more details, see “*History and Certain Corporate Matters –Special Rights held by our Promoters*” on page 247.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company and our Subsidiaries (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material, will be attached to the copy of this Red Herring Prospectus and the Prospectus and filed with the RoC and will also be available on the website of the Company which can be accessed at <https://ngel.in/page/compliances>. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid / Issue Closing Date (except for such agreements executed after the Bid / Issue Closing Date). Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material contracts for the Issue

1. Issue Agreement dated September 18, 2024, entered into between our Company and the BRLMs.
2. Registrar Agreement dated September 18, 2024, entered into between our Company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated November 12, 2024, entered into between our Company, the Registrar to the Issue, Syndicate Members, the BRLMs and the Banker(s) to the Issue.
4. Syndicate Agreement dated November 12, 2024, entered into between our Company, the BRLMs, the Syndicate Members and the Registrar.
5. Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
6. Monitoring Agency Agreement dated November 11, 2024, entered into between our Company and the Monitoring Agency.

#### B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated April 7, 2022 issued by the Registrar of Companies, Delhi and Haryana.
3. Resolutions of the Board of Directors and the Shareholders dated September 9, 2024 and September 10, 2024 respectively, authorising the Issue and other related matters.
4. Resolution of the Board of Directors dated September 17, 2024 approving the Draft Red Herring Prospectus.
5. Resolution of the IPO Committee dated September 18, 2024 approving the Draft Red Herring Prospectus.
6. Resolution of the Board dated November 11, 2024 approving this Red Herring Prospectus.
7. Resolution of the IPO Committee dated November 12, 2024, approving this Red Herring Prospectus
8. Consent dated November 6, 2024, from CRISIL to rely on and reproduce part or whole of the report, "Strategic assessment of Indian power and renewable energy sector" dated November, 2024 and include their name in this Red Herring Prospectus.

9. Industry report titled “*Strategic assessment of Indian power and renewable energy sector*” dated November 2024, issued by CRISIL.
10. Consent dated November 12, 2024 from our Statutory Auditors, PR Mehra and Co, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated October 30, 2024 on our Restated Consolidated Financial Information; and (ii) report dated November 6, 2024 on the statement of special tax benefits available to our Company, our Shareholders and our Material Subsidiary and other certificates included in this Red Herring Prospectus.
11. Consent dated September 18, 2024 from SK Mehta & Co, Chartered Accountants and Varma & Varma, Chartered Accountants, the erstwhile statutory auditors of our Corporate Promoter, NTPC Limited, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the erstwhile auditors of NTPC Limited and in respect of their special purpose audit report dated September 9, 2024 on the Special Purpose Carved-Out Combined Financial Statements included in this Red Herring Prospectus.
12. Consent dated November 11, 2024, from the independent chartered engineer, namely RBSA Advisors LLP, to include their name in this Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated November 11, 2024.
13. Consent dated November 12, 2024, from the independent chartered accountant, namely PVAR & Associates, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company
14. The examination report dated October 30, 2024 of the Statutory Auditor, on our Restated Consolidated Financial Information, included in this Red Herring Prospectus.
15. The special purpose audit report dated September 9, 2024 of the erstwhile statutory auditors of NTPC Limited, on our Special Purpose Carved-out Combined Financial Statements, included in this Red Herring Prospectus
16. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, regarding key performance indicators of our Company.
17. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, regarding the loans availed by our Material Subsidiary which are proposed to be repaid from the Net Proceeds.
18. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, certifying the details of the aggregated outstanding borrowings of our Company and Material Subsidiary, as of September 30, 2024 as well as the aggregate sanctioned and outstanding borrowings on a consolidated basis (Company and its Subsidiaries) for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.
19. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, certifying the quantitative factors which may form the basis for issue price
20. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, certifying the details of the primary and secondary transactions in relation to the Equity Shares.

21. Certificate dated November 12, 2024 from our Statutory Auditors, P.R. Mehra and Co, Chartered Accountants, certifying the details of the cost of acquisition of our Equity Shares.
22. Resolution of the Audit Committee dated November 11, 2024 approving key performance indicators of our Company.
23. Report issued by the Statutory Auditors dated November 6, 2024 on the Statement of Special Tax Benefits available to our Company, our Shareholders and our Material Subsidiary.
24. Business transfer agreement dated July 8, 2022, entered into between our Company and our Corporate Promoter, NTPC Limited (“BTA”)
25. The special purpose interim condensed carve-out statement of assets and liabilities of the Purchased RE Assets as of February 28, 2023, prepared by our Corporate Promoter for determining the purchase price of the RE Assets as per the requirements of the BTA along with the limited review report thereon issued by one of our Corporate Promoter’s erstwhile statutory auditors, Varma & Varma, Chartered Accountants.
26. Scheme dated March 8, 2022, prepared by our corporate promoter, NTPC Limited, for the asset monetization of its renewable energy portfolio under the National Monetization Pipeline. This scheme provides for the transfer of 15 renewable energy projects, along with 100% shareholding in NTPC Renewable Energy Limited, from NTPC Limited to our company.
27. Share purchase agreement dated July 8, 2022, entered into between our Company and our Corporate Promoter, NTPC Limited
28. Share purchase agreement dated November 21, 2023, entered into between our Company and our Subsidiary, NTPC Renewable Energy Limited, Green Valley Renewable Energy Limited and Damodar Valley Corporation
29. Joint venture agreement dated March 20, 2023, executed between our Company and Indian Oil Corporation Limited
30. Right-of-use agreement dated September 11, 2024 executed between our Company and our Corporate Promoter, for the use of land pertaining to the Rojmal project.
31. Right-of-use agreement dated September 11, 2024 executed between our Company and our Corporate Promoter, for the use of land pertaining to the Jetsar project.
32. Copies of annual reports of our Company for the Fiscals 2024, 2023, and 2022.
33. Consent of our Directors, BRLMs, Syndicate Members, the legal counsel to the Company, Registrar to the Issue, Statutory Auditors, Monitoring Agency, Banker(s) to the Issue, Banker to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, independent chartered engineer, as referred to in their specific capacities.
34. Tripartite agreement dated September 2, 2024, amongst our Company, NSDL and the Registrar to the Issue.
35. Tripartite agreement dated September 11, 2024, amongst our Company, CDSL and the Registrar to the Issue.
36. Due diligence certificate dated September 18, 2024, addressed to SEBI from the BRLMs.
37. In-principle listing approvals each dated October 18, 2024, issued by BSE and NSE.
38. SEBI observation letter dated October 22, 2024 bearing reference number SEBI/ CFD/RAC-DIL1/2024/33167.

## DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Gurdeep Singh**  
*Chairman & Managing Director*

**Place:** New Delhi

**Date:** November 12, 2024

## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

*Jaikumar Srinivasan*  
*Director (Finance)*

**Place:** New Delhi

**Date:** November 12, 2024

## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

*Shanmugha Sundaram Kothandapani*  
*Director (Projects)*

**Place:** Hyderabad

**Date:** November 12, 2024

## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

*Dr. Viveka Nand Paswan*  
*Additional Director (Independent)*

**Place:** Patna

**Date:** November 12, 2024



## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

*Bimal Chand Oswal*

*Additional Director (Independent)*

**Place:** Guwahati

**Date:** November 12, 2024

## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

*Sajal Jha*  
*Additional Director (Independent)*

**Place:** Patna

**Date:** November 12, 2024

## **DECLARATION**

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, guidelines, or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with and no statements, disclosures and undertakings made in this Red Herring Prospectus are contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements, disclosures and undertakings in this Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

*Neeraj Sharma*  
*Chief Financial Officer*

**Place:** New Delhi

**Date:** November 12, 2024