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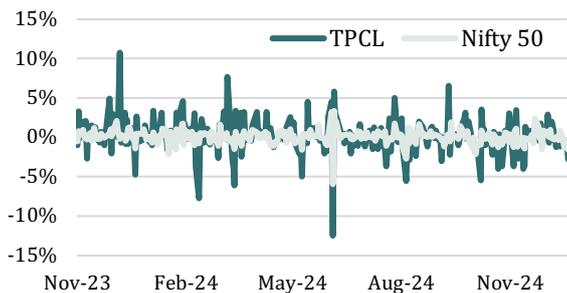
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Basic Issuer Information

Issuer	Tata Power Renewable Energy Limited (“TPREL”)
Equity Ticker	N/A
Corporate Ticker	TPRWIN Corp
Credit Rating (M/S/F)	Unrated (CRISIL: AA+/s; IND: AA+/s)
Country of Risk	India (M: Baa3/s; S: BBB-/s; F: BBB-/s)
Sector	Utilities – Renewables

1Y TPCL Share Price vs Nifty 50 Benchmark



Key Financials

YE 31 st Mar (US\$'m)	FY23A	FY24A	FY25E	FY26E
Revenue	1,018	1,248	1,472	1,829
Gr Rate (%)	11%	23%	18%	24%
EBITDA	351	383	473	614
Margin (%)	35.7%	31.3%	32.1%	33.5%
ROA (%)	2.1%	1.8%	1.9%	1.8%
Current Ratio	1.22x	0.71x	0.67x	0.73x
Debt/Equity	1.32x	1.51x	1.57x	1.58x
NI + DA / Interest	3.68x	3.64x	3.15x	3.17x

Company Description

Tata Power Renewable Energy Limited (“TPREL”) is a subsidiary of Tata Power, focusing on clean and renewable energy solutions. Established in 2007, TPREL develops, constructs, and operates wind and solar power assets across India. TPREL offers a comprehensive range of services, including utility-scale projects, rooftop solar installations, microgrids, and electric vehicle charging solutions, contributing significantly to India's transition towards sustainable energy.

Recommendations

We are initiating coverage on Tata Power Renewable Energy Limited (“TPREL”), Tata Power Company Limited’s (“TPCL”, NSE:TATAPOWER) renewable energy arm.

We have given an issuer profile rating of “Neutral” to TPREL’s overall credit outlook – with focus on TPWRIN 7.93 06/26/29 for its better value for its short-term maturity. We have taken the view that the market has overpriced short-term risks.

Recent Developments

- TPCL and TPREL have seen consistent credit upgrades, with TPCL most recently upgraded to BBB- (S&P, 20 Aug 2024)
- TPREL Plans to achieve 20GW Operational Capacity by 2030, backed by new partnerships and first FDRE tender
- TPREL commenced solar cell production at its 4.3GW Tamil Nadu plant, which stands as India’s largest standalone solar cell production plant
- TPREL has further expanded its EV footprint in Q1’25 to entrench their EV sector leadership in India

Key Credit Considerations

TPREL’s heavily leveraged profile is forecasted to worsen in the near term based on aggressive expansion plans. Yet, their aggressiveness overall mirrors industry-wide sentiment across their competition, and is supported by strong government support and financing appetite. Overall, TPREL is deemed much less leveraged than its peers. With its debt service supported by strong stable cashflows underpinned by long-term PPAs, as well as the comfort that increased leverage funds expansionary and not maintenance capex, we conclude our credit analysis at a “Neutral” rating.

Credit Positives

- TPREL is strategically important to Tata Sons, one of India's largest business groups, as a key company under their infrastructure vertical
- TPREL has seen a strong precedence of equity support and new strong institutional equity support, which allows for greater financial robustness and recapitalisation abilities
- TPREL’s revenue base is sourced from long-term PPAs and is well diversified across the value chain, insulating it from event risks and providing future revenue visibility

Credit Negatives

- TPREL’s credit profile is particularly sensitive to execution and macroeconomic risks, due to high leverage and liquidity constraints from its aggressive expansion plans
- TPREL is susceptible to counterparty credit risk, including possible payment delays and default risk, as well as curtailment risk, given the nascent state of infrastructure development in India and generally poor DISCOM health

Company Overview

Figure 1: NSE:TATAPOWER 1Y Chart



Source: NSE

Figure 2: TPREL's Operational Geographies



Source: TPREL

Tata Power Company Limited (“TPCL”) is a leading integrated power utility in India, headquartered in Mumbai. Established in 1910, it is part of the Tata Group and has evolved into the largest power generation company in India, with an installed capacity of approximately 14,707 MW, including a significant contribution from renewable energy sources (5,847 MW) such as solar and wind. The company engages in the generation, transmission, and distribution of electricity across various regions, focusing on sustainable energy solutions to meet the growing demand for electricity in both residential and commercial sectors. The company is listed on the National Stock Exchange of India (NSE: TATAPOWER), and its stock price has grown steadily by 86% over the past year (as of 1-Nov-24) (Figure 1), with a historical 1Y beta of 2.3 relative to the benchmark NSE:NIFTY_50.

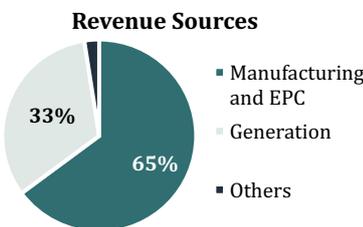
Tata Power Renewable Energy Limited (“TPREL”) is a subsidiary of TPCL that specialises in renewable energy projects, and has presence all across India (Figure 2). TPREL plays a crucial role in TPCL's strategy to enhance its green energy portfolio, contributing significantly to the company's overall capacity through solar and wind projects. The subsidiary aims to drive innovation and sustainability within the energy sector by expanding its renewable energy initiatives and supporting India's transition towards cleaner energy sources.

Business Segments

Post-restructuring in 2022, TPREL consolidates TPCL's renewable business across three key revenue segments (Figure 3):

- 1. Manufacturing and EPC (65%):** Solar cell and module manufacturing and electricity, EPC
- 2. Renewables Generation (33%):** Power generation from renewable energy sources (wind, solar and hybrid projects)
- 3. Others (2%):** Rooftop solar installations, EV charging, solar pumps

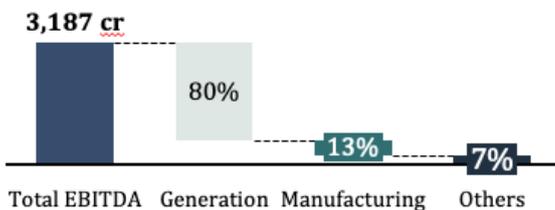
Figure 3: TPREL Revenue Sources



Source: TPREL FY24 Annual Report

TPCL has a presence across the entire value chain and houses the transmission and distribution (T&D) business, which TPREL offloads its renewable energy to.

Figure 4: TPREL EBITDA Composition



Source: Team Analysis

While Manufacturing and EPC comprises the majority of TPREL's revenues, profit margins are notably thinner and constitute 13% of FY24A EBITDA (Figure 4). We also note that while the COGS for manufacturing has been declining over the years due to technological advancements, solar cell prices have similarly fallen.

TPREL's EBITDA is primarily reliant on Generation (80%), indicative of increased reliance on its generation operational health and activity for its overall company's financial health and visibility.

As such, the majority of TPREL's EBITDA has strong revenue visibility and stability underpinned by long-term PPAs that contribute to 98% of total generation revenues, sourced from a fairly diverse portfolio of domestic credit-quality offtakers.

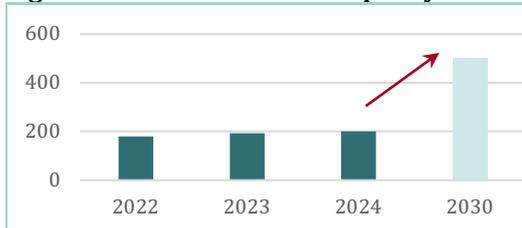
Figure 5: Shareholding Structure

TPREL's Shareholding	%
Tata Power Company Ltd	88.57
BlackRock Real Assets	11.43
Mubadala Investment Co.	

TPCL's Shareholding	%
Tata Sons Private Ltd.	45.28
Life Insurance Corp. of India	5.78
Nippon Life India Asset Management Ltd.	1.62
quant Money Managers Ltd.	1.49
Vanguard Group Inc.	1.41

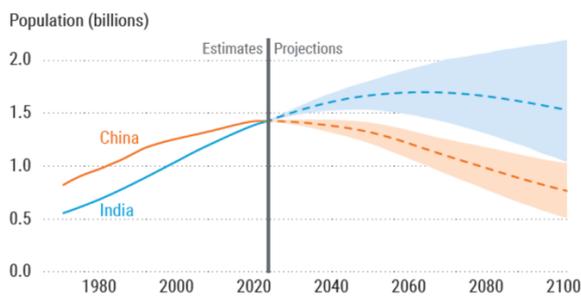
Source: TPREL, TPCL

Figure 6: India Renewable Capacity 2022-2030



Source: Ministry of Power

Figure 7: India's Population Trends



Source: United Nations

Figure 8: India's Renewable Energy Policies

Policy Initiative	Description
Renewable purchase obligation framework	Minimum electricity uptake from renewable energy sources specified for states' renewable purchase obligations
Must-run status	Renewable projects enjoy a must-run status and have preferential dispatch based on variable cost of power generation
Waiver of interstate transmission tariffs	Interstate transmission charges have been waived to make renewable energy cheaper
Green energy corridors	High-capacity transmission system for the transfer of renewable energy from resource-rich states to demand centres
Solar parks	Addition of 40 GW solar capacity where government provides land, evacuation facilities and power purchase agreements
Improve offtaker credit strength	Central government-owned NTPC and SECI are included as offtakers for certain projects, which improves the offtaker credit profile
Foreign investment	100% foreign direct investment is allowed
Accelerated depreciation	40% accelerated depreciation for wind and solar projects
Production-linked incentives to manufacture PV modules	Government to provide incentives to reduce the cost of manufacturing photovoltaic (PV) modules in the country
Planned closure of old coal-based projects	Government has announced closure of 81 coal-based projects and offtakers are allowed to walk out of power purchase agreements with coal-based projects after 25 years
Green Hydrogen	Government-approved National Green Hydrogen Mission in January 2023 to develop green hydrogen production capacity of at least 5 million metric ton per annum with an associated renewable energy capacity addition of about 125 GW
Late payment surcharge rules	These rules provide a mechanism for settlement of outstanding dues of generating companies, interstate transmission licensees and electricity trading licensees

Source: Moody's

Ownership and Management

TPREL is majority (88.57%) owned by its parent company TPCL. In early 2022, BlackRock Real Assets and Mubadala Investment Co. invested ₹4 lakh cr (US\$525m) to support TPREL's growth plans, hence their current shareholding ownership of 11.43%.

TPCL's ownership structure is split among various shareholders, including the Vanguard Group Inc., Nippon Life India Asset Management Ltd, Life Insurance Corporation of India and Tata Sons Private Ltd. Tata Sons Private Ltd owns the lion's share of the company, with a majority stake of 45.28%, while the next largest shareholder, Life Insurance Corporation of India, owns 5.78%.

Industry Outlook

India is experiencing a huge surge in electricity demand, fuelled by a whole gamut of factors that highlight the country's ever-mounting energy needs.

Projected Infrastructure Spending

India is set to invest over **US\$1.7 trillion** in infrastructure from 2023 to 2029. This large-scale investment is expected to enhance transportation and urban development, as well as expand the electricity grid, improving access to power throughout India. At the same time, the Indian power installed base is expected to grow at a **8.8% CAGR** from 493 GW in 2024 to 753 GW in 2029. Consequently, as infrastructure ramps up, the demand for electricity is expected to increase in a similar vein.

Moody's estimates that India's target of 500 GW renewable energy capacity by 2030 requires annual capacity additions of around 44 GW (**Figure 6**). An estimated US\$190–215 billion total investment would need to be added for additional renewable energy capacity over the next seven years.

Population Growth

India's population is projected to grow from 1.41 billion in 2023 to 1.51 billion by 2030, per United Nations' projections.

The number of households is estimated to rise from 289 million in 2020 to 354 million by 2030, per BCG estimates. This makes India the most populous country in the world, which they are expected to maintain throughout 2050. Continually strong population growth and increasing industrial output drive higher electricity demand as more households require power for daily activities.

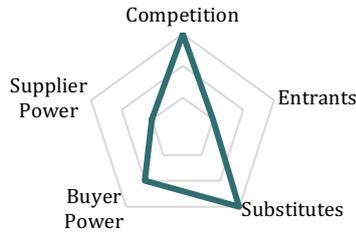
Commitments to Renewable Energy

In addition, the Indian government is actively supporting renewable energy initiatives as part of its commitment to sustainable development. As part of the United Nations' Sustainable Development Goals program, India is critical in determining the success of the SDGs globally.

India aims to cut carbon emissions by 1 billion tonnes by 2030 and achieve net-zero carbon emissions by 2070. This commitment not only reflects a shift towards cleaner energy sources but also emphasises the need for increased electricity generation capacity from renewables and overall clean energy sources to meet both current and future demands.

The government is overall supportive of renewables (**Figure 8**), which details the various policies that the government has put in place that will be expected to encourage the development of more renewable energy in India.

Figure 9: Porter's Five Forces Analysis



Competition	High: saturated Indian market, oligopolistic market
New Entrants	Low: high CAPEX, regulatory barriers, PPAs
Substitutes	High: power is increasingly commoditised, new energy solutions
Buyer Power	Mid: regulated tariffs, PPAs, India's reverse auctions
Supplier Power	Low: vertical integration, PPAs, regulated key input prices

Source: Team Analysis

TPREL's Porter Five Forces Analysis (Figure 9)

The Indian renewables market is highly competitive, driven by a surge in the government's aims to achieve carbon neutrality, and the addition of tendering of power purchase agreements (PPAs) and capacity additions. Porter's Five Forces allows us to take a deep dive into TPREL's relative market standing. As mentioned, the level of competition in the Indian renewables market is high, with competitors such as Adani Green and ReNew having large existing and projected capacities. However, at the same time, the threat of substitutes is equally high for this same reason, with the larger players being able to provide similar services as TPREL. This leads to a relatively oligopolistic market where the larger power companies have a hold on the industry, paired with the high CAPEX and regulatory barriers that may limit the threat of new entrants.

On the downstream and upstream portions of the value chain, we see an overall lower influence from both the buyer and supplier. Suppliers see a low level of power, given that TPREL, along with other renewable power companies, are vertically integrated and do not necessarily need third-party suppliers for the business to operate. At the same time, renewable companies have PPAs in place, which provide greater price predictability. This predictability reduces supplier power as it diminishes the risk associated with price volatility in the energy market. At the same time, suppliers are also regulated by key input prices, which again limit the overall supplier power.

On buyer power, we see a relatively stronger standing compared to seller power, as regulated tariffs allow for prices to be better controlled in a highly oligopolistic market characterised by few dominant key players. Another key aspect that aids buyer power is India's Reverse Power Auction. Simply put, India's reverse auction process allows buyers to procure renewable energy by inviting multiple suppliers to bid against each other, with the goal of offering the lowest price. This competitive bidding mechanism drives down costs and enhances transparency in procurement, ultimately benefiting buyers by securing energy at favourable rates. This again allows for overall stronger position of buyer power in the overall Porter's Five Forces Analysis.

Recent Developments in the Company

Figure 10: TPREL CRISIL LT Ratings Trend



Source: CRISIL (an S&P Company)

Credit Upgrades

TPREL's revenue base is largely stable, underpinned by long-term PPAs and regulated tariffs. Besides its heavily expansionary outlook to the future, its strategic importance to parent company Tata Sons, has enabled a credit profile highly rated by local rating agencies. (Figure 10)

Figure 11: TPCL S&P Ratings Trend



Source: S&P

The Team has used S&P, Moody's and Fitch's outlook of TPCL as a proxy for global rating agencies' outlook on TPREL, especially given TPCL's expansive pivots towards higher clean energy composition. Based on their commentary of TPCL's renewables business, We note TPREL's direct contribution TPCL's recent credit upgrades by S&P, Moody's and Fitch, as they have been positively rated for their commitment to renewables. Overall, TPCL has also been rated strongly by external agencies (Figure 11), and is only capped by India's sovereign rating.

We note that increasing upgrades allows them to access lower cost of funds due to better pricing on debt, allowing better market positioning. This also increasingly enables the evolution of their capital stack as they pivot towards longer-term debt.

Figure 12: TPREL FY22A Revenues (Post-Restructuring)



Source: TPREL

Figure 13: TPREL Pro-Forma Operational Capacity



Source: TPREL, Team Analysis

Restructuring

In 2022, the Group restructured TPREL that resulted in its absorption of TPCL's EPC, cell and module manufacturing, solar pump, and EV businesses. TPREL stands as the Group's overall principal renewables vehicle, and leads the charge towards renewables. Group CEO notes that "all future renewable businesses will be developed under this holding company". This absorption has resulted in a 2.6x increase in TPREL's revenue base. **(Figure 12)**

20 GW Operational Capacity by 2030

In September 2024, TPREL President Deepesh Nanda publicly committed an investment of Rs 75,000 cr to achieve 20 GW of operational capacity by 2030. **(Figure 13)**. The company currently has only 5 GW operational capacity and 5 GW capacity under construction, but "have committed to take this number all the way to 20 GW operational capacity by 2030". The company is optimistic about achieving this goal, adding that company may meet these goals "possibly ahead of schedule".

Strong Trends of New Business

TPREL's ambitious goals above are supported by strong recent business developments, notably:

1. MoU with Rajasthan: In October 2024, Tata inked a ₹1.2 lakh cr memorandum of understanding (MoU) with the Rajasthan government for power development over the next years. The agreement includes 10 GW worth of renewable energy projects, a 2 GW solar module manufacturing plant, rooftop solar installations, as well as EV charging points.

2. LoA with Maharashtra: In September 2024, Tata acquired a Letter of Authority from the Maharashtra State Electricity Distribution Company Limited (MSEDCL) for the development of a 400 MW Wind-Solar Hybrid Project in Maharashtra.

3. PPA with SJVN Limited: In May 2024, TPREL signed a Power Purchase Agreement with SJVN Limited to set up a 460 MW Firm and Dispatchable Renewable Energy (FDRE) project. FDRE refers to a new tendering system that allows energy suppliers to provide renewable energy based on specific demand profiles communicated by purchasing entities, and this milestone marks TPREL's first successful bid in the FDRE tender, a critical precedent.

Commencement of 4.3 GW Manufacturing Plant

In September 2024, TPREL commenced the production of Solar Cell at India's largest single-location 4.3 GW Solar Cell and Module Manufacturing plant in Tirunelveli, Tamil Naidu, marking a big step in TPREL's goal of leading India's renewables transition. This milestone is significant as it marks indigenous production of solar cells, reducing reliance on external manufacturers and consolidating margins across the value chain. While ramp-ups are still in progress, revenues have crossed ₹1,000 cr as of Q1 FY25. At the same time, we note that manufacturing capacity is projected to further expand, with an extra 2 GW plant in Rajasthan in progress following the MoU signed with Rajasthan in September 2024.

EV Sector Leadership

With one of the largest networks of EV chargers across the country, TPREL has made further developments in Q1 FY25 to further entrench their leadership in the space, including:

(i) energising 81 public EV charging points, taking total charging points to c.5,569 chargers across 553 cities; and

(ii) deploying >850 EV charging points strategically located across 30+ bus depots across many major cities to power >2,300 buses over India, leading to a reduction of >100,000 tons of CO₂ emissions.

Financial Analysis

Figure 14: TPREL Base Case

	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
Profitability Ratios								
EBITDA Margin	37.0%	35.7%	31.3%	32.1%	33.5%	34.4%	34.8%	35.0%
Net Profit Margin	9.0%	8.6%	7.2%	8.2%	8.0%	7.5%	6.9%	6.3%
RDA	2.4%	2.1%	1.8%	1.9%	1.8%	1.7%	1.6%	1.4%
ROE	11.3%	5.9%	5.8%	5.9%	5.5%	5.0%	4.6%	4.1%
Liquidity ratios								
Quick ratio	0.42x	1.10x	0.55x	0.51x	0.55x	0.59x	0.69x	0.80x
Current ratio	0.57x	1.22x	0.71x	0.67x	0.73x	0.81x	0.95x	1.12x
Solvency ratios								
Debt / Assets	0.54x	0.47x	0.47x	0.50x	0.52x	0.54x	0.55x	0.56x
Debt / Equity	2.54x	1.32x	1.51x	1.57x	1.58x	1.61x	1.60x	1.61x
LT Debt / Equity	1.78x	1.05x	1.24x	1.24x	1.34x	1.42x	1.46x	1.50x
Interest / Net Income + DA	4.02x	3.68x	3.64x	3.15x	3.17x	3.21x	3.22x	3.24x

Source: TPREL, Team Analysis

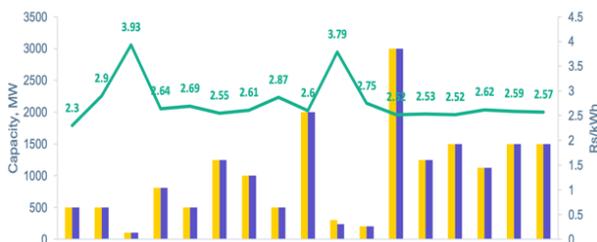
Overview

Figure 14 illustrates TPREL's historical and forecasted financial ratios from FY2020 to FY2027. Overall, TPREL's financial position is expected to take a slight decline due to TPCL's heavy transition into renewable energy, resulting in heavy expansion of TPREL's generation capacity. However, we note that this decline is moderated by a strong business model, anchored by long-term PPAs that provide revenue visibility, and an positive outlook on business margins.

Declining Profitability Metrics

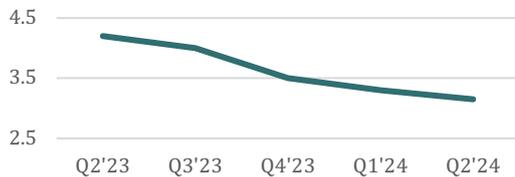
Overall, net profit margins have decreased from 9% to 7.2%. The drop in net profit from FY23A to FY24A is driven by goodwill impairment in FY24A, with adjusted net profit margin at 8.2%. Looking forward, net profit margins is forecasted to decline steadily and moderately to 6.3% in FY29E, primarily driven by increasing finance costs to fund its ambitious expansion plans.

Figure 15: Solar Tariffs (Apr 22 - Jan 24)



Source: World Business Council for Sustainable Development (WBCSD)

Figure 16: Large-Scale Solar Project Costs (Q2'23 - Q2'24)



Source: Mercom India Research

Figure 17: Debt / EBITDA Ratios (FY22A - FY29E)



Source: TPREL, Team Analysis

This is mitigated by increasing forecasted EBITDA margins from 31.3% to 35%, which is due to two factors - (i) TPREL's increasing presence in solar panels manufacturing and plant construction, allows it to consolidate margins across the GENCO value chain; and (ii) whilst solar tariffs have remained relatively flat across the last 2 years (**Figure 15**), whilst average large-scale solar project costs have also decreased 25.7% y-o-y due to declining solar-module prices (**Figure 16**). As solar-module prices account for 46.8% of solar project costs, overall operating margins are expected to improve as revenues stay relatively flat, while costs decrease.

Improving Liquidity Positions

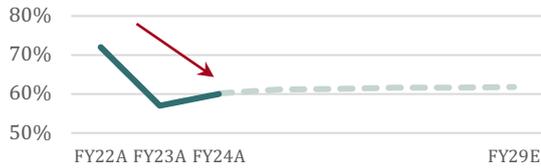
TPREL has a historically weak liquidity position, with a present current ratio of 0.71x. The anomaly in FY23A is due to equity injections from TPCL and new sponsors, which provided greater cash buffer. We note that the introduction of the Late Payment Surcharge (LPS) system, which penalises DISCOM's late payments to GENCOs, has resulted in their increasing receivables position from FY22A to FY23A, with non-current DRO decreasing from 32.8 to 9.6 from FY22A to FY24A. An expansionary outlook will further deplete their cash accruals and strain liquidity, but current ratios are expected to improve across the forecast period from 0.67x to 1.12x in FY29E, as more plants are commissioned. Liquidity is further expected to strengthen as TPCL is noted to be recapitalising towards longer-term debt, easing repayment stress.

Increasing Leverage

TPREL has current going-in gross leverage at 6.13x and 5.79x net leverage, but we note that this is elevated due to their expansionary activities. Leverage is expected to further increase (**Figure 17**) as TPREL ramps up expansion, but is mitigated by a relatively short ramp-up period. TPREL has committed to achieving an operating capacity of 20GW by 2030, 4x that of its present current operating capacity. The commissioning of their new plants in the future is projected to ease leverage to normal levels after the 5-year forecast period.

We understand from Tata Group's management style that they are averse to leverage, with Group CEO N. Chandrasekaran stating that his chief priority when he took over in 2017 was to "stop the bleeding", and that he "wanted to fix the leverage".

Figure 18: Gearing (FY22A - FY29E)



Source: TPREL, Team Analysis

Figure 19: Interest / Net Income + DA (FY22A - FY29E)



Source: TPREL, Team Analysis

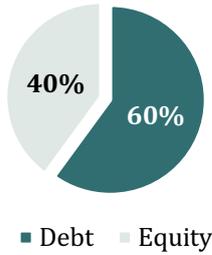
Decreasing Gearing

Despite the increasing leverage, TPREL's gearing has decreased from 72% to 60% from FY22A to FY24A (**Figure 18**) due to equity injections from TPCL (₹5,160 cr in FY22), as well as from new institutional equity sponsors Blackrock and Mubadala for a combined 11.43% stake in TPREL. As a public markets-exposed entity, gearing is expected to remain relatively flat as the group is able to access funds from both equity and debt capital markets.

Decreasing Solvency Ratios

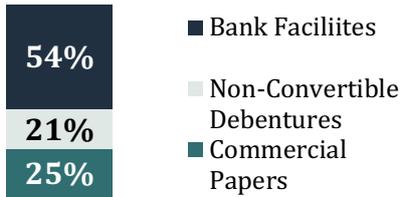
We have used Interest expenses / Net Income + DA as a proxy for ICR (i.e. Net Income + DA as a CFADS proxy) as we note that TPREL's expansionary capex is discretionary, with no obligation to ramp up in periods of financial stress. Historical ICR has decreased from 4.02x in FY22A to 3.64x in FY24A (**Figure 19**) due to increased interest expenses for expansionary capex, and is projected to decrease further, with a minimum of 3.15x in FY25E over the 5-year forecast period. TPREL is expected to remain robust despite increasing debt obligations as the Tata group looks to recapitalise towards long-term debt.

Figure 20: Capital Structure Breakdown (FY24A)



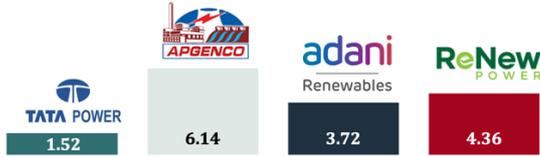
Source: TPREL

Figure 21: Capital Stack (FY24A)



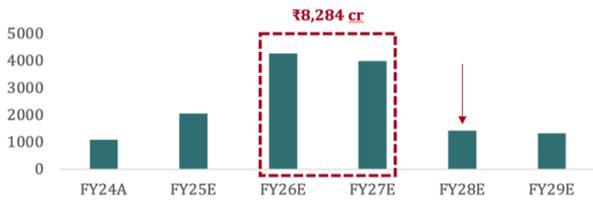
Source: TPREL

Figure 22: Gross D/E Peer Comparisons



Source: TPREL, APGENCO, AGEL, ReNew

Figure 23: Debt Maturity Schedule



Source: TPREL, Team Analysis

Figure 24: Forecasted Revolver Draw / (Repayment)



Source: Team Analysis

Capital Structure & Debt Maturity

Capital Stack Overview

TPREL has a present capital structure of 40% equity to 60% debt. **(Figure 20)**

Of TPREL’s debt, in order of seniority: (i) 54% in senior secured bank facilities (ii) 21% in unsecured non-convertible debentures (iii) 25% in unsecured commercial papers. **(Figure 21)**

This is largely favourable to its peers with a sizeably higher reliance on debt. **(Figure 22)** (From left to right: Tata Power Renewable Energy Limited (TPREL), Andhra Pradesh Power Generation Corporation Limited (APGENCO), Adani Green Energy Limited (AGEL), ReNew Energy Global (ReNew))

Debt Maturity

TPREL has a total of ₹14,882 cr in debt maturities from FY24–29, where of which 39% (₹8,284 cr) of present debt is maturing in FY26–27, **(Figure 23)** A large part of this maturity wall comes with a ₹6,976 cr repayment of term loans maturing in FY27. Based on FY24’s annual report forecasts, a bulk of term loan amortisation for the next 5 years is within the next 3 years — as aligned with their goals to recapitalise towards longer term debt.

The large debt maturity walls in FY25–26 constitutes 72% of consolidated forecasted EBITDA across the two years, and spells possible repayment risk should TPREL be exposed to underperformance, as well as refinancing risk if no lenders lose their appetite to refinance their current debt.

In our forecasted model, TPREL struggles with repayment in FY27E, and draws from their line of credit, indicating financial stress from repayment risk **(Figure 24)**. This repayment and refinancing risk will be discussed in greater detail in the next section.

Credit Positives

1. Strategic Importance to Parents

The foundation of TPREL's credit strengths lie in the underlying credit strengths of its parent, TPCL (S&P: BBB-/Positive) and ultimate shareholder, Tata Sons (the investment vehicle of the Tata Group), accompanied by their extensive support of their TPREL, with Renewables a strategic growth engine for the company.

About the Tata Group: Established in 1868, the Tata Group is India's largest business conglomerate. The Group holds 29 publicly listed companies, with a consolidated market capitalisation of more than US\$400 billion.

S&P has assessed TPCL to be a key company under Tata Sons' infrastructure vertical, and believes in "the potential for extraordinary support for TPCL" from the Tata Sons. We note that the company's increasing focus on renewable energy is also likely driven by Tata Sons, evidenced by the group's active transition towards green energy. Tata Group CEO has notably said "however painful... these are transitions that need to be done". The Group's Transition Plan (towards 70% Clean Energy in 2030 and 100% in 2045, **Figure 25**) thus indicates the TPCL's corollary support of TPREL.

The strategic importance of TPREL is made further apparent by the recent restructuring of 2022, with the Group CEO noting that "all future renewable businesses will be developed under this holding company". The increased size of their business, as well as their being the sole renewables driver of a company increasingly focused on carbon transition, speaks to their increasing importance to the Group.

2. Strong Precedent and New Institutional Equity Support

To combat leverage, we have seen a strong precedence of parental equity support to recapitalise TPREL. In FY22, TPCL notably injected ₹5,160 cr in equity, and repaid ₹3,895 cr in unsecured perpetual securities. Equity support allowed for TPREL's gearing to normalise, decreasing from 72% to 60% (**Figure 26**). We believe that any shortfall from cash accrual targets will be met via refinancing or needs-based support from TPCL, and that strategic equity from TPCL will be used to fund its expansionary activities. On September 2018, TPREL President Deepesh Nanda publicly committed to a 20 GW solar operating capacity by 2030 and publicly pledged ₹75,000 cr to achieve it.

Furthermore, TPREL has recently introduced strong institutional sponsors Blackrock Real Assets and Mubadala Investment Company to their cap table, holding a combined 11.43% stake in TPREL. The backing of strong sponsors provides easy access to equity capital and additional leverage on renowned equity backing for easier access to debt financing. We assess TPREL to be well-positioned to raise capital in either of both the debt and equity markets.

Blackrock is one of the world's largest investment managers with >US\$11.5 trillion AuM. *Blackrock Real Assets* invests globally, with at least 70% of its total assets in equities and equity-related securities (including derivatives) of companies whose economic activity is predominantly in the real estate and infrastructure sectors.

Mubadala is a state-owned global investment firm that acts as one of the sovereign wealth funds of the government of Abu Dhabi, with

Figure 25: TPCL's Transition Plan to Clean Energy – Clean & Green Power : Thermal Ratios



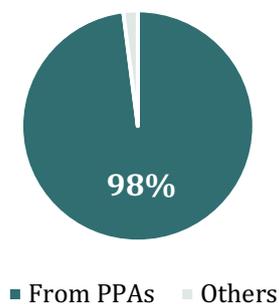
Source: TPREL

Figure 26: Gearing (FY22A – FY29E)



Source: TPREL, Team Analysis

Figure 27: TPREL Contracted PPA % of Generation Revenues



Source: CRISIL, TPREL

an estimated >US\$300 billion in AuM. It has had an increasing presence in real assets and infrastructure investments, such as recent equity stakes in hyperscaler the Yondr Group in August, and a gas infrastructure deal in Indonesia with Perusahaan Listrik Negara (PLN).

3. Diversified Revenue Sources with Strong Revenue Visibility

Of TPREL’s generation portfolio, which yields 80% of their current total EBITDA, 98% of TPREL’s renewable portfolio is backed by long-term PPAs of up to 25 years (**Figure 27**), which imply stable cash flows secured and market risks. These factors contribute to healthy revenue visibility, and in turn leads to an overall ability to make debt repayments with its stable cash flows.

TPREL’s diversification across the value chain distributes exposure across the value chain from Manufacturing (via their solar cell manufacturing plants), Construction (via their construction services), to Generation further broadens its risk profile. We note that operational risk exposure are kept within Tata entities, with many of their counterparties also Tata distribution entities. Other risk exposures include their rising EV portfolios, that further shield their exposure to a singular part of the renewables value chain.

4. Strategic Government Policy Alignment and State Support

As established in our Industry outlook, India’s commitments to cutting carbon emissions and net zero carbon emissions by 2070 is in line with TPREL’s goals of providing clean energy. We see this manifested through strategic state agreements that further bolster Tata’s credit support. On 30 September 2024, Tata inked a landmark 10-year deal worth ₹1.2 lakh cr with the Government of Rajasthan to support Rajasthan’s power transition, which includes plans for 10 GW of renewable capacity installations, 2 GW manufacturing plant, as well as EV and rooftop solar solutions.

Furthermore, the Reserve Bank of India (“RBI”) recently released its draft disclosure framework on climate-related financial risks, pushing banks to follow international standards of climate-related disclosure governance, strategy, and risk management data. Indian banks have thus been decarbonising their loan books gradually. To rebalance their portfolio emissions, we expect to see Indian banks follow global trends of banks’ increasing appetite for renewables financing, and expect to see further increased participation as regulations continue to mature.

Credit Negatives

1. Counterparty Risk and Payment Delays

As an Indian generation company (GENCO), TPREL depends on Indian distribution companies (DISCOM) to offtake their power to end users. Firstly, India’s DISCOMs have had a precedent of payment delays for long-term PPAs, particularly in states at Tamil Nadu, Karnataka, and Andhra Pradesh. With India’s payment cycles often stretching over four months, long delays have the potential to put liquidity strains on GENCOs like TPREL.

Furthermore, the DISCOM industry has been troubled by weak financial health, which raises the spectre of default risk. Although the Late Payment Surcharge (LPS) scheme and bill discounting measures have been implemented to improve cash flow, they do not fully mitigate the risk of extended receivables, which can impact TPREL’s working capital and strain liquidity. We note that post-LPS implementation in 2022, TPREL’s non-current receivable days has decreased from 32.8 to 9.6.

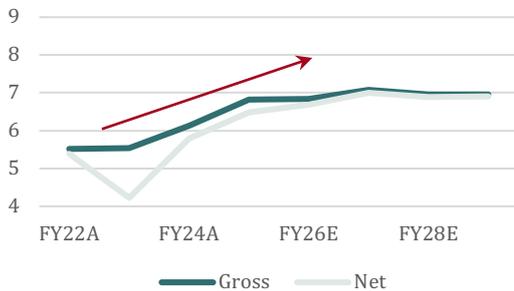
Amidst counterparty credit weakness, TPREL has established some robust strategies to hedge against their exposure.

- (a) The company’s diverse counterparty portfolio includes over 15 creditworthy discoms, such as SECI (AAA), NTPC (AAA), and GUVNL (A1+), as well as TPCL’s own distribution entities (AA+), which significantly reduces its reliance on any single discom and enhances overall cash flow stability.
- (b) TPREL employs bill discounting, effectively shifting the interest burden to the discoms themselves. This allows TPREL to maintain steady cash flow without incurring early payment costs.
- (c) TPREL has built up liquidity reserves equivalent to six months of debt obligations, which provides a financial cushion against any liquidity crunch.

Moreover, their robust financial management is underpinned by their credit backstop from TPCL, which is projected to ensure cash accruals of over ₹1,900 cr in FY24 and ₹2,400 cr in FY25. Any shortfall in cash accruals has shown to be covered by TPCL and institutional sponsors, adding a further layer of financial security.

On top of this, India’s renewable energy runs on a *must-run status*, which significantly minimises curtailment risk by prioritising renewable energy on the grid. India’s central grid (POWERGRID) has consistently reported strong availability between 99.75% and 99.80%, and we expect that TPREL can rely on a relatively stable outlook.

Figure 28: TPREL’s Increasing Leverage



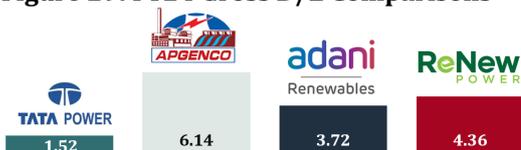
Source: TPREL, Team Analysis

2. High Leverage and Liquidity Constraints

With a gross leverage ratio of 6.13x and net leverage at 5.79x, TPREL operates on a debt-heavy capital structure to fuel its growth ambitions (**Figure 28**). Their liquidity position is noted to be poor, with a cash ratio of 0.10x, providing limited flexibility to meet short-term obligations. A combination of poor liquidity and high leverage exposes TPREL to significant risk in the face of earnings volatility or unfavourable macroeconomic shifts, such as rising interest rates. Such conditions could intensify the burden of debt management, especially if cash flow becomes strained.

To hedge this exposure, TPREL maintains liquid reserves equivalent to six months of debt obligations. These reserves provide a meaningful buffer against liquidity risks, enhancing TPREL’s ability to handle unforeseen financial pressures. TPREL is also forecasting substantial cash inflows, with ₹1,900 crore expected in FY24 and ₹2,400 crore in FY25, which will significantly bolster its liquidity.

Figure 29: FY24 Gross D/E Comparisons

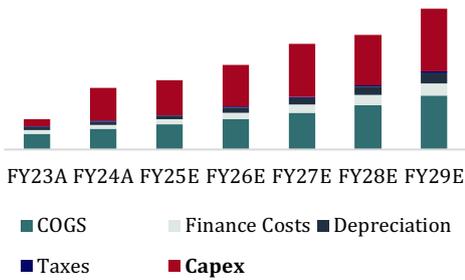


Source: TPREL, Team Analysis

Furthermore, despite its expansionary outlook, TPREL’s capital structure still compares favourably when benchmarked to peers in the sector (**Figure 29**). With strong parental and institutional support driving its recapitalisation efforts, TPREL’s gross debt-to-equity (D/E) ratio is markedly better than that of competitors such as APGENCO (6.14x), ReNew Power (4.36x), and Adani Renewables (3.72x). This relative strength underscores the resilience embedded in TPREL’s financial strategy, particularly in an expansionary environment. Ultimately, while TPREL’s debt-heavy approach and limited liquidity could pose risks, the combined backing from TPCL, strategic reserves, and comparatively stronger gearing metrics position the company to navigate these challenges with a measure of confidence.

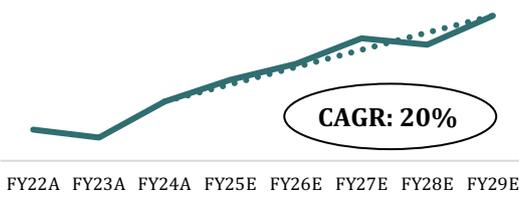
Ultimate, the reliance of debt is not borne from maintenance need, with majority of debt meant for discretionary capex. In, 53.6% of

Figure 30: TPREL's Expenses Composition



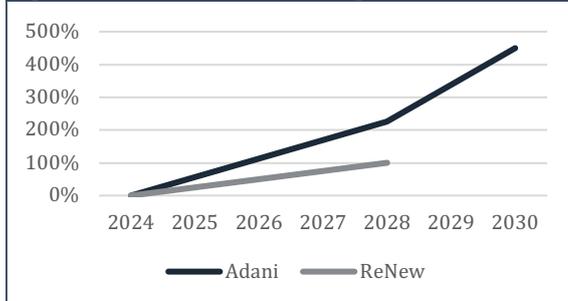
Source: TPREL, Team Analysis

Figure 31: TPREL's Pro-forma Capex Surge



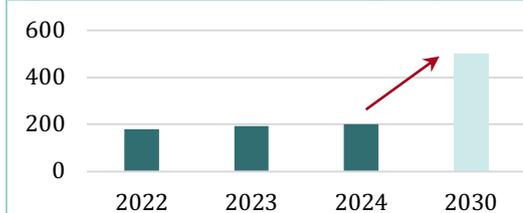
Source: TPREL, Team's analysis

Figure 32: AGEL & ReNew Expansion Plan



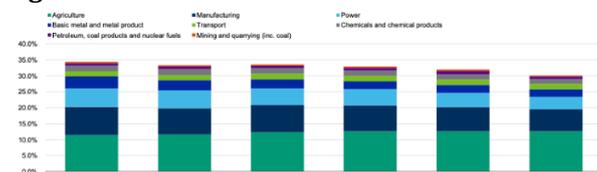
Source: TPREL, Team Analysis

Figure 33: India renewable capacity 2022-2030



Source: Ministry of Power

Figure 34: Indian loan books decarbonisation



Source: Reserve Bank of India, Moody's

expenses in FY24A was for new capex (**Figure 30**). TPREL has no obligation to carry out expansion plans in times of financial stress, and are well positioned to adapt towards

3. Execution Risks in Expansion Plans

TPREL's ambitious plans for expansion exposes it to execution risks, as it leveres its operational capacity against capacity under construction. While non-standard, TPREL has had precedent of delays and cost overruns. In September 2024, TPREL applied for an extension on the Scheduled Commercial Operation Date (SCOD) for its 510 MW hybrid power project in Karnataka due to delays at the substation level, specifically by the Central Transmission Utility of India Ltd. (CTUIL). Furthermore, India has also showed an industrial trend of cost overruns. This year alone, 458 infrastructure projects nationwide each with an investment of >₹150 cr experienced cost escalations (per Economic Times' report). In a competitive solar manufacturing sector dominated by players like Adani Green, ReNew Power, and Greenko, TPREL's margins are under constant pressure, and any inefficiencies could directly impact its competitive standing.

However, TPREL's strategic alignment with India's national renewable energy goals mitigates some of these risks. The government's target to reach 500 GW of clean energy capacity by 2030 provides long-term stability and strengthens TPREL's credit profile, as its expansion is in line with national objectives. Moreover, TPREL's commitment to becoming a market leader with 70% green capacity by 2030 is well-aligned with these targets, reinforcing its credibility and growth prospects.

Furthermore, TPREL benefits from vertical integration, which provides a margin advantage. Its 4.3 GW manufacturing facility in Tirunelveli and an additional 2 GW plant planned in Rajasthan offer greater control over the supply chain, reducing operational risk and ensuring competitive pricing in the market. This value chain integration not only contains exposure within TPCL's ecosystem but also enhances TPREL's ability to manage costs effectively.

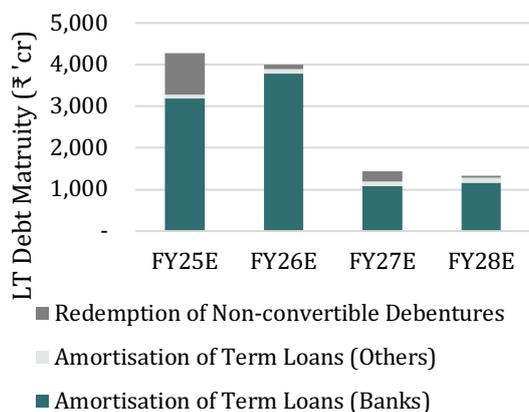
4. Ambitiousness of Expansion Plans

With a goal of quadrupling its existing operational capacity in just six years, which is modelled to a 20% CAGR in capex (**Figure 31**) over the next 5 years, with much of these expenses funded by increasing debt. In today's volatile economic and geopolitical climate, borrowing costs are not immune to upward pressure. Should interest rates continue to rise globally, which is increasing in probability with the current "higher for longer" interest rate landscape, TPREL's heavily leveraged structure could face increased financial stress.

Yet, TPREL's aggressive capex plans are comparable with the industry's overall expansionary appetite. Competitors like Adani are eyeing expansions from 10 GW to 45 GW by 2030, and ReNew is aiming for 10 GW to 20 GW by 2028 (**Figure 32**). Based on the Indian Ministry of Power, India's renewable energy capacity will grow 2.5x from 200 GW to 500GW by March 2031. (**Figure 33**) Moody's notes that a stable pipeline of announced projects will hence keep rated renewable GENCOs financial leverage high in the near-term

Overall, increased demand and competition for monies is matched by an increasing financing appetite in the Indian renewables space as well. Financiers are increasingly keen on green assets, as they seek to decarbonise their loan books amongst increasing domestic decarbonisation regulation. Carbon-intensive sectors have dropped from 35% of banks' exposure to 30% in the last 5 years (**Figure 34**), and rating agencies project this to decline further in

Figure 35: FY25E – FY28E LT Debt Amortisation



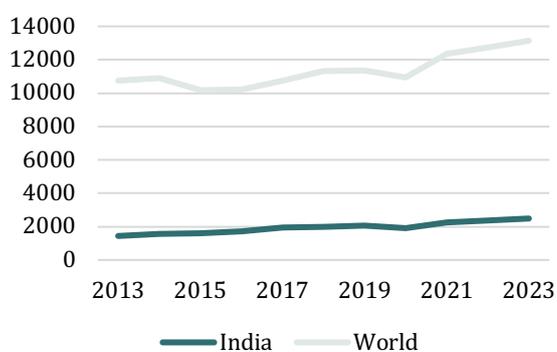
Source: TPREL

Figure 36: Sensitivity Analysis

Case	Min ICR	Avg ICR	Avg Net Leverage
Base Case	3.15	3.20	6.79
Downside Case	2.78	2.80	7.96
CUF -50%	2.02	2.08	12.69
Tariff -25%	2.60	2.63	8.95
Flat non-generation	2.80	2.90	7.71
LT Debt as % of New Capex +20%	2.65	2.75	6.90

Source: Team Analysis

Figure 37: Indian VS World GDP Per Capita (USD)



Source: World Bank

favour of renewables. Furthermore, the broader TPCL group's recapitalisation strategy is aimed at shifting towards longer-term debt to ease short-term amortisation stress, which has been applied to TPREL's forecasts as well. Management forecasts rapidly decreasing current LT debt over FY25E to FY28E (**Figure 35**).

Further credit comfort is found in TPCL's strong track record of raising long-term financing with consistent successful NCD raises against the backing of a well-structured business pipeline of MoUs and PPAs. These agreements create reliable revenue streams and long-term financial commitments, supporting TPREL's expansion goals with a steady cash flow.

Underlying to their financial management is a history of sponsor equity injections into TPREL, showcasing management's flexibility to recapitalise and keep leverage in check. As a public markets-exposed entity (via TPCL), management is mandated to keep leverage in check.

Sensitivity Analysis

We have run a sensitivity analysis (**Figure 36**) against ICR and leverage across a five-year forecast period. While in a leveraged environment, credit metrics remain robust despite keeping capex expansionary. Even in our projected downside case, net leverage remains below <8x.

We have also stress tested TPREL's credit metrics against extreme events, such as:

- (i) 25% fall in tariffs
- (ii) No future non-generation growth (despite a currently healthy EPC order book)
- (iii) (Extreme) fall in CUF by 50%

We note that TPREL is still able to service their forecasted interest payments and keep leverage relatively controlled at a maximum of 2x base case.

Overall projected fiscal robustness is predicated on strong equity support assumptions as modelled in our base case, which we view as likely given a strong precedence and strategic importance to their parent entity, the Tata Sons.

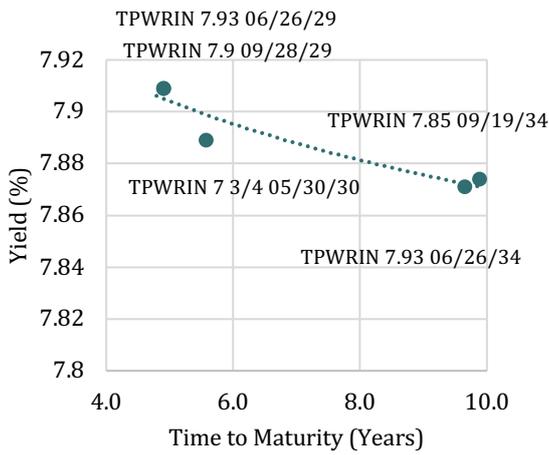
Country Risk

The credit profile of India of (M: Baa3/s, S: BBB-/F: BBB-/S) is underpinned by its large and diversified economy with high growth potential, a relatively sound external position, and stable domestic financing.

However, it is weakened by its high general government debt (c.82% of overall GDP), and overall low per capita income (USD 2,484 GDP per capita) (**Figure 37**). However, we note that India has achieved remarkable growth of 8.0% from FY23 to FY24, which has led to an upswing in household consumption.

This growth has been driven by sustained momentum in infrastructure development, rapid digitalisation, and the strengthening of its financial system. These factors have positioned India as a stronger, more stable economy post-pandemic. Nonetheless, analysts caution that debt affordability could remain pressured by elevated global and domestic interest rates. Despite rate cuts around the world, India's domestic repo rate has been steady at 6.5% since February 2023 to keep inflation in check.

Figure 38: TPREL's Bond Yield Curve



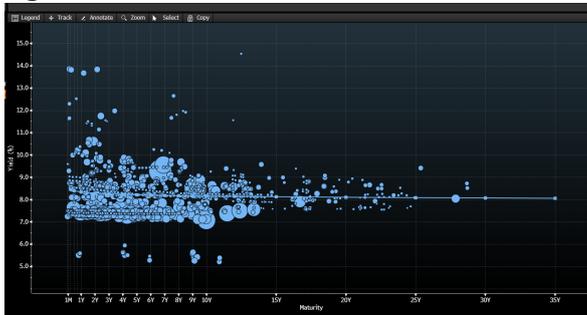
Source: Bloomberg

Figure 39: TPREL Bond Issuances

Bond Name	Yield (%)	G-Spread (bps)
TPWRIN 7.93 06/26/29	7.909	101
TPWRIN 7.9 09/28/29	7.909	100.9
TPWRIN 7 3/4 05/30/30	7.889	97.9
TPWRIN 7.93 06/26/34	7.871	90.6
TPWRIN 7.85 09/19/34	7.874	90.5

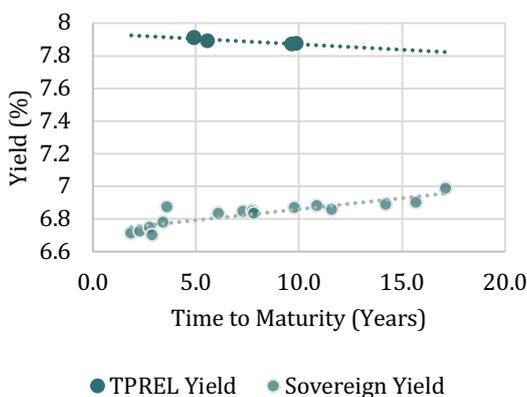
Source: Bloomberg

Figure 40: Indian Utilities' Bond Yield Curve



Source: Bloomberg

Figure 41: Declining G-Spread



Source: Bloomberg

Issuance Analysis

TPREL's Inverted Bond Yield Curve

TPREL's fixed-rate bond issuances take on a relatively flat profile with slight inversion. **(Figure 38)** The slightly negative term premium indicates that the market sees heightened short-term risk that nullify the duration risk from longer-term bonds.

Industry Trend of Inversion

Negative term premium is industry-wide **(Figure 40)** and non-specific to TPREL's or the Tata Group's credit profile. Similar yield curve inversion is seen among big industry players like Adani and ReNew Power.

The elevated yields in the short term reflect industry sentiment that Indian solar infrastructure is still in the nascent phase of development and has not yet become fully operational. With currently poor Indian DISCOM health, short-term infrastructure is perceived to be riskier than in the long-term, where projected infrastructure development is expected to eventually catch up to the current rapid pace of GENCO development.

Overweight TPRWIN 7.93 06/26/29

We see better value for TPRWIN 7.93 06/26/29 (trading at a G-Spread of 101 bps), which offers a similar coupon for TPWRIN 7.93 06/26/34 despite the latter's longer maturity profile of 10 years. Overall, there is a 10 bps increase in G-Spread for 06/26/29 compared to the bond maturing in 06/26/34, which is reflective of their highly leveraged credit profile for the next 5 years. For the credit positives mentioned previously, substantial equity support from high-profile institutional investors (Blackrock and Mubadala) and TPCL's commitment as a guarantor provide additional confidence in the short-term stability of TPREL's bonds, making an overweight position in short-term bonds a strategic choice.

Underweight Long-Term Issuances

Conversely, with relatively lower yields on the longer-dated bonds, we would recommend an underweight position for TPREL's long-term issuances. A comparison with the Indian government bond yield curve shows a typical upward-sloping structure **(Figure 41)**, unlike the inverted curve seen for TPREL.

The longer-term risks are less rewarded in terms of yield as their G-spread declines, leading to compressing credit spreads.

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Appendix

Income Statement

Base Case Tata Power Renewable Energy Limited for year ending 31st March		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
Income Statement									
Revenues									
EPC	cr	4,588.0	4,934.9	6,597.1	7,881.5	9,420.9	11,266.4	13,478.9	16,131.9
Electric Power Generation (Renewables)	cr	2,781.6	3,075.8	3,326.9	4,184.3	5,617.7	7,219.1	9,048.5	11,173.4
Others	cr	157.1	186.3	251.2	200.0	200.0	200.0	200.0	200.0
Operating revenues	cr	7,526.6	8,196.9	10,175.2	12,265.8	15,238.6	18,685.5	22,727.4	27,505.3
Other income	cr	100.6	286.4	225.0	200.0	200.0	200.0	200.0	200.0
Total revenues	cr	7,627.2	8,483.3	10,400.2	12,265.8	15,238.6	18,685.5	22,727.4	27,505.3
			11%	23%	18%	24%	23%	22%	21%
COGS	cr	(4,744.9)	(5,271.3)	(6,987.9)	(8,326.6)	(10,126.5)	(12,267.0)	(14,822.9)	(17,883.9)
Impairment of Goodwill		-	-	(100.9)	-	-	-	-	-
EBITDA		2,781.7	2,925.6	3,187.3	3,939.2	5,112.1	6,418.5	7,904.5	9,621.4
<i>EBITDA Margin</i>		<i>37.0%</i>	<i>35.7%</i>	<i>31.3%</i>	<i>32.1%</i>	<i>33.5%</i>	<i>34.4%</i>	<i>34.8%</i>	<i>35.0%</i>
Finance Costs	cr	(1,015.2)	(1,211.7)	(1,252.4)	(1,696.4)	(2,183.9)	(2,723.6)	(3,369.1)	(4,120.0)
D&A	cr	(940.4)	(1,074.2)	(1,064.9)	(1,119.1)	(1,530.4)	(2,043.6)	(2,658.7)	(3,437.8)
PBT	cr	926.8	926.1	994.1	1,323.7	1,597.8	1,851.3	2,076.8	2,263.6
Tax expenses	cr	(241.5)	(196.2)	(246.2)	(317.7)	(383.5)	(444.3)	(498.4)	(543.3)
Net Income	cr	685.3	729.9	747.9	1,006.0	1,214.3	1,407.0	1,578.3	1,720.4
<i>Net Income Margin</i>	%	<i>9.0%</i>	<i>8.6%</i>	<i>7.2%</i>	<i>8.2%</i>	<i>8.0%</i>	<i>7.5%</i>	<i>6.9%</i>	<i>6.3%</i>
<i>Growth</i>			6.5%	2.5%	34.5%	20.7%	15.9%	12.2%	9.0%

Balance Sheet

Balance Sheet (₹ cr)									
Assets									
Current Assets									
Cash and Cash Equivalents	cr	347.0	3,841.1	1,084.3	1,296.2	792.4	500.0	500.0	500.0
Trade Receivables	cr	2,463.6	2,915.1	3,413.1	4,032.6	5,009.9	6,143.2	7,472.0	9,042.8
DRO (Current)		117.9	125.4	119.8	120.0	120.0	120.0	120.0	120.0
Inventories	cr	1,609.5	1,002.5	1,740.2	2,073.7	2,521.9	3,055.0	3,691.5	4,453.8
DIO		123.8	69.4	90.9	90.9	90.9	90.9	90.9	90.9
Other Current Assets	cr	1,559.50	2,098.18	1,663.41	1,663.41	1,663.41	1,663.41	1,663.41	1,663.41
% growth		-	34.54%	-20.72%					
Total Current Assets		5,979.5	9,856.9	7,901.0	9,065.9	9,987.7	11,361.6	13,326.9	15,660.1
Non-current Assets									
Net PP&E	cr	18,076.3	19,917.5	27,350.4	37,868.0	50,283.8	65,907.1	79,965.2	97,415.4
Goodwill and Intangibles	cr	1,046.4	2,616.7	2,490.7	2,490.7	2,490.7	2,490.7	2,490.7	2,490.7
Trade Receivables	cr	685.8	359.6	273.3	336.0	417.5	511.9	622.7	753.6
DRO (Non-current)		32.8	15.5	9.6	10.0	10.0	10.0	10.0	10.0
Others	cr	2,497.7	1,593.2	3,846.1	3,846.1	3,846.1	3,846.1	3,846.1	3,846.1
Total Non-current Assets	cr	22,306.1	24,486.9	33,960.5	44,540.9	57,038.1	72,755.8	86,924.7	104,505.8
Total Assets		28,285.58	34,343.79	41,861.55	53,606.77	67,025.83	84,117.37	100,251.63	120,165.85
Liabilities									
Current Liabilities									
Borrowings	cr	4,559.4	3,351.7	3,489.7	5,715.4	5,436.9	5,334.9	4,850.0	4,276.0
Lease Liabilities	cr	6.8	10.5	1.7	10.0	10.0	10.0	10.0	10.0
Trade Payables	cr	2,684.0	1,602.4	1,352.3	1,619.7	1,969.8	2,386.2	2,883.4	3,478.8
DPO		206	111	71	71	71	71	71	71
Others	cr	3,205.3	3,084.8	6,268.3	6,268.3	6,268.3	6,268.3	6,268.3	6,268.3
% of COGS		67.6%	58.5%	89.7%					
Total Current Liabilities	cr	10,455.47	8,049.4	11,112.0	13,613.4	13,684.9	13,999.3	14,011.6	14,033.0
Non-current Liabilities									
Borrowings	cr	10,786.0	12,842.5	16,033.5	21,129.4	29,497.2	40,097.3	50,127.4	62,660.1
Lease Liabilities	cr	2.8	232.0	479.3	479.3	479.3	479.3	479.3	479.3
Deferred Tax Liabilities	cr	88.0	475.9	550.5	550.5	550.5	550.5	550.5	550.5
Others	cr	902.4	476.3	771.2	771.2	771.2	771.2	771.2	771.2
<i>Growth</i>	cr		-47%	62%	0%	0%	0%	0%	0%
Total Non-current Liabilities	cr	11,779.1	14,026.6	17,834.4	22,930.3	31,298.0	41,897.5	51,928.3	64,461.0
Total Liabilities	cr	22,234.6	22,076.0	28,946.4	36,543.7	44,983.0	55,897.5	65,939.9	78,494.0
Stockholders' Equity									
Equity Share Capital and Securities Premium	cr	1,045.1	7,160.0	10,205.1	13,347.0	17,112.5	21,882.6	26,396.1	32,035.8
Compulsorily Convertible Preference Shares	cr	-	2,000.0	-	-	-	-	-	-
Unsecured Perpetual Securities	cr	3,895.0	-	-	-	-	-	-	-
Retained Earnings	cr	1,583.9	2,327.2	3,072.0	4,078.0	5,292.3	6,599.2	8,277.5	9,997.9
Other Equity	cr	(510.5)	(312.6)	(380.2)	(380.2)	(380.2)	(380.2)	(380.2)	(380.2)
Total Stockholders' Equity	cr	6,013.5	12,119.8	12,896.8	17,044.7	22,024.5	28,201.5	34,293.4	41,653.5
<i>Growth</i>	cr		103%	6%	32%	29%	28%	22%	21%
Non-controlling Interests	cr	37.5	48.1	18.3	18.3	18.3	18.3	18.3	18.3
Total Equity	cr	6,051.0	12,267.8	12,915.16	17,063.1	22,042.8	28,219.8	34,311.7	41,671.8
Total Assets	cr	28,285.6	34,343.8	41,861.6	53,606.8	67,025.8	84,117.4	100,251.6	120,165.8
Total Liabilities and Shareholders' Equity	cr	28,285.6	34,343.8	41,861.6	53,606.8	67,025.9	84,117.4	100,251.6	120,165.8
<i>Balance Sheet Check</i>		OK	OK						
<i>Check</i>		-	-	-	-	-	-	-	-

Cash Flow Statement

Base Case Tata Power Renewable Energy Limited for year ending 31st March		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
Cash Flow Statement									
Operating Cash Flows									
Net Income	cr				1,006.0	1,214.3	1,407.0	1,578.3	1,720.4
Depreciation & Amortization	cr				1,119.1	1,530.4	2,043.6	2,658.7	3,437.8
Changes in Trade Receivables	cr				(682.20)	(1,058.81)	(1,227.66)	(1,439.59)	(1,701.71)
Changes in Inventory	cr				(333.48)	(448.25)	(533.07)	(636.54)	(762.31)
Changes in Other Current Assets	cr				-	-	-	-	-
Changes in Trade Payables	cr				267.38	350.12	416.37	497.18	595.42
Changes in Other Current Liabilities	cr				-	-	-	-	-
Total Cash Flow from Operations	cr				1,376.79	1,587.80	2,106.22	2,658.04	3,289.52
Investing Cash Flows									
Changes in Goodwill	cr				-	-	-	-	-
Changes in Gross PP&E	cr				(11,636.69)	(13,946.20)	(17,666.89)	(16,716.79)	(20,887.96)
Total Cash Flows from Investing Activities	cr				(11,636.69)	(13,946.20)	(17,666.89)	(16,716.79)	(20,887.96)
Financing Cash Flows									
Changes in Short-Term Borrowings	cr				2,225.75	(278.55)	(101.98)	(484.86)	(574.08)
Changes in Long-term Borrowings	cr				5,095.91	8,367.72	10,600.14	10,030.07	12,532.78
Changes in Short-Term Lease Liabilities	cr				8.26	-	-	-	-
Changes in Long-term Lease Liabilities	cr				-	-	-	-	-
Changes in Deferred Tax Liabilities	cr				-	-	-	-	-
Changes in Other Non-current Liabilities	cr				-	-	-	-	-
Changes in Equity Share Capital and Securities Premium	cr				3,141.91	3,765.47	4,770.06	4,513.53	5,639.75
Changes in Compulsorily Convertible Preference Shares	cr				-	-	-	-	-
Changes in Unsecured Perpetual Securities	cr				-	-	-	-	-
Changes in Other Equity	cr				-	-	-	-	-
Changes in Non-controlling Interests	cr				-	-	-	-	-
Total Cash Flows from Financing Activities	cr				10,471.82	11,854.64	15,268.22	14,058.74	17,598.45
Beginning Cash Balance	cr				1,084.28	1,296.20	792.45	500.00	500.00
Net Cash Inflow / (Outflow)	cr				211.9	(503.8)	(292.4)	0.0	(0.0)
Ending Cash Balance	cr				1,296.20	792.45	500.00	500.00	500.00

Expense Schedule

Expenses Schedule									
COGS									
EPC	cr			(6,210.9)	(7,329.8)	(8,761.4)	(10,477.7)	(12,535.4)	(15,002.7)
Generation	cr			(777.0)	(996.8)	(1,365.0)	(1,789.3)	(2,287.5)	(2,881.2)
Total COGS	cr	(4,744.9)	(5,271.3)	(6,987.9)	(8,326.6)	(10,126.5)	(12,267.0)	(14,822.9)	(17,883.9)
% of Revenue	%	62.2%	62.1%	67.2%	67.9%	66.5%	65.6%	65.2%	65.0%
Finance Costs									
Interest Expenses on Debt	cr	925.7	1,086.0	1,167.5	1,607.7	2,093.0	2,574.7	3,170.3	3,949.6
Interest Expenses on Revolver	cr	-	-	-	-	-	61.7	114.0	78.7
Other Borrowing Costs	cr	89.5	125.7	84.9	80.0	80.0	80.0	80.0	80.0
Commitment Fee on Revolver	cr	-	-	-	8.7	10.9	7.1	4.8	11.7
Total Finance Costs	cr	1,015.2	1,211.7	1,252.4	1,696.4	2,183.9	2,723.6	3,369.1	4,120.0
% of Revenues	%	13.3%	14.3%	12.0%	13.1%	13.7%	13.8%	13.9%	14.4%
Implied Interest Rate	%	6.0%	6.7%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
D&A									
	cr	(940.4)	(1,074.2)	(1,064.9)	(1,119.1)	(1,530.4)	(2,043.6)	(2,658.7)	(3,437.8)
Tax Expenses									
PBT	cr	926.8	926.1	994.1	1,323.7	1,597.8	1,851.3	2,076.8	2,263.6
Tax Expenses	cr	(241.5)	(196.2)	(246.2)	(317.7)	(383.5)	(444.3)	(498.4)	(543.3)
Implied Tax Rate	%	26.1%	21.2%	24.8%	24.0%	24.0%	24.0%	24.0%	24.0%

Debt Schedule, PPE Schedule, Equity Issuance Schedule

Debt Schedule									
Current Borrowings									
Unsecured									
Buyer's Line of Credit	cr		184.8	-	-	-	2,470.0	2,088.9	1,059.8
Short-term Loan	cr		500.0	50.0	50.0	50.0	50.0	50.0	50.0
Others									
Commercial Papers	cr		1,017.3	1,383.9	1,383.9	1,383.9	1,383.9	1,383.9	1,383.9
Secured									
Short-term Loans	cr		475.5	-	-	-	-	-	-
Cash Credit from Banks	cr		26.0	-	-	-	-	-	-
Bank Overdraft - Repayable on Demand	cr		58.7	-	-	-	-	-	-
Total Current Borrowings			1,089.8	2,056.8	4,281.5	4,003.0	1,431.0	1,327.3	1,782.3
Amortisation of Term Loans (Banks)	cr		-	-	3,185.6	3,790.5	1,081.0	1,161.0	1,161.0
Amortisation of Term Loans (Others)	cr		-	-	96.0	102.5	117.6	121.3	121.3
Redemption of Non-convertible Debentures	cr		-	-	1,000.0	110.0	232.5	45.0	500.0
Total Current Borrowings			-	3,352.1	3,490.7	5,715.4	5,436.9	5,334.9	4,850.0
Non-current borrowings									
Redeemable non-convertible debentures	cr		-	1,886.1	-	-	-	-	-
Term Loans from Banks	cr		-	13,364.5	-	-	-	-	-
Term Loans from Others	cr		-	783.0	-	-	-	-	-
Total Non-current Borrowings	cr	10,786.0	12,842.5	16,033.5	21,129.4	29,497.2	40,097.3	50,127.4	62,660.1
Growth	%		19.1%	24.8%	31.8%	39.6%	35.9%	25.0%	25.0%
PPESchedule									
Gross PP&E	cr	21,301.4	23,683.7	34,704.1	46,340.7	60,286.9	77,953.8	94,670.6	115,558.6
% Growth			11.2%	46.5%	33.5%	30.1%	29.3%	21.4%	22.1%
Generation Capacity	GW	3.2	3.9	4.5	6.3	8.2	10.5	13.0	16.0
WIP Capacity	cr	1.3	2.4	3.7	4.1	4.7	5.5	5.5	5.5
PP&E / GW	cr	4,717.3	3,749.9	4,218.9	4,429.8	4,651.3	4,883.9	5,128.0	5,384.5
Accumulated Depreciation	cr	3,225.2	3,766.2	7,353.6	8,472.7	10,003.2	12,046.8	14,705.4	18,143.2
Incremental Depreciation	cr				1,119.1	1,530.4	2,043.6	2,658.7	3,437.8
% of PP&E	%				4.0%	4.0%	4.0%	4.0%	4.0%
Net PP&E and WIP	cr	18,076.3	19,917.5	27,350.4	37,868.0	50,283.8	65,907.1	79,965.2	97,415.4
Equity Issuance									
Proceeds from issues of Shars	cr	-	7,160.0	-	3,141.9	3,765.5	4,770.1	4,513.5	5,639.7

Generation Revenues Schedule

Base Case Tata Power Renewable Energy Limited for year ending 31st March		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
Generation Revenues									
Revenue from contract with customers									
Total capacity (GW)	GW	3.2	3.9	4.5	6.3	8.2	10.5	13.0	16.0
Hours	h								
Adjusted potential output (GWh)	GWh	23,892.0	31,153.2	36,941.4	47,441.2	63,692.5	81,849.4	102,590.4	126,682.2
Blended CUF	%	21%	23%	21%	21%	21%	21%	21%	21%
Power generated	MU	4,975.0	7,193.1	7,905.8	9,962.7	13,375.4	17,188.4	21,544.0	26,603.3
Hybrid tariff rate	INR/kWh	5.6	4.3	4.2	4.2	4.2	4.2	4.2	4.2
Revenue from generation	cr	2,781.6	3,075.8	3,326.9	4,184.3	5,617.7	7,219.1	9,048.5	11,173.4
Implied EBITDA	cr			2,549.9	3,187.5	4,252.6	5,429.9	6,761.0	8,292.2
COGS	cr			(777.0)	(996.8)	(1,365.0)	(1,789.3)	(2,287.5)	(2,881.2)
EBITDA margin				76.6%	76.2%	75.7%	75.2%	74.7%	74.2%
Capacity Schedule									
Total Capacity									
Solar	MW	2,393.6	2,990.9	3,485.6	4,335.6	5,005.6	5,840.6	6,340.6	6,840.6
Wind	MW	800.5	927.6	1,030.0	1,280.1	1,620.3	1,720.5	1,720.7	1,720.9
Total Capacity	MW	3,194.1	3,918.5	4,515.6	5,615.7	6,625.9	7,561.1	8,061.3	8,561.5
Forecasted unannounced additions	MW				700.0	1,600.0	1,300.0	2,000.0	2,500.0
Total Capacity	MW	3,194.1	3,918.5	4,515.6	6,315.7	8,225.9	10,461.1	12,961.3	15,961.5
Capacity addition	MW	933.4	724.4	597.1	1,800.1	1,910.2	2,235.2	2,500.2	3,000.2
Solar MW by State/UT									
Andaman	MW	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Andhra Pradesh	MW	205.6	205.6	222.0	222.0	222.0	222.0	222.0	222.0
Assam	MW	-	-	6.0	6.0	6.0	6.0	6.0	6.0
Bihar	MW	41.0	41.0	41.0	41.0	41.0	41.0	41.0	41.0
Delhi	MW	1.3	1.6	1.5	1.5	1.5	1.5	1.5	1.5
Goa	MW	-	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Gujarat	MW	500.0	645.0	680.0	680.0	680.0	715.0	715.0	715.0
Haryana	MW	1.0	0.5	0.8	0.8	0.8	0.8	0.8	0.8
Jharkhand	MW	5.0	10.8	20.0	20.0	20.0	20.0	20.0	20.0
Karnataka	MW	517.5	569.6	570.0	1,020.0	1,190.0	1,190.0	1,190.0	1,190.0
Madhya Pradesh	MW	130.0	130.2	131.0	131.0	131.0	131.0	131.0	131.0
Maharashtra	MW	217.7	373.8	466.0	666.0	666.0	966.0	966.0	966.0
Odisha	MW	-	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Pondicherry	MW	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Punjab	MW	36.0	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Rajasthan	MW	365.0	596.2	905.0	1,105.0	1,605.0	2,105.0	2,605.0	3,105.0
Tamil Nadu	MW	252.7	249.0	259.0	259.0	259.0	259.0	259.0	259.0
Telangana	MW	15.4	17.5	19.0	19.0	19.0	19.0	19.0	19.0
Uttar Pradesh	MW	101.5	103.1	105.0	105.0	105.0	105.0	105.0	105.0
Uttarakhand	MW	3.7	6.6	16.0	16.0	16.0	16.0	16.0	16.0
West Bengal	MW	-	3.1	5.0	5.0	5.0	5.0	5.0	5.0
Total Solar MW	MW	2,393.6	2,990.9	3,485.6	4,335.6	5,005.6	5,840.6	6,340.6	6,840.6
Wind MW by State/UT									
Andaman	MW	-	-	-	-	-	-	-	-
Andhra Pradesh	MW	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Assam	MW	-	-	-	-	-	-	-	-
Bihar	MW	-	-	-	-	-	-	-	-
Delhi	MW	-	-	-	-	-	-	-	-
Goa	MW	-	-	-	-	-	-	-	-
Gujarat	MW	189.6	189.6	190.0	190.1	190.3	190.5	190.7	190.9
Haryana	MW	-	-	-	-	-	-	-	-
Jharkhand	MW	-	-	-	-	-	-	-	-
Karnataka	MW	50.4	50.4	50.0	200.0	540.0	540.0	540.0	540.0
Madhya Pradesh	MW	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
Maharashtra	MW	111.5	238.6	341.0	441.0	441.0	541.0	541.0	541.0
Odisha	MW	-	-	-	-	-	-	-	-
Pondicherry	MW	-	-	-	-	-	-	-	-
Punjab	MW	-	-	-	-	-	-	-	-
Rajasthan	MW	185.0	185.0	185.0	185.0	185.0	185.0	185.0	185.0
Tamil Nadu	MW	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Telangana	MW	-	-	-	-	-	-	-	-
Uttar Pradesh	MW	-	-	-	-	-	-	-	-
Uttarakhand	MW	-	-	-	-	-	-	-	-
West Bengal	MW	-	-	-	-	-	-	-	-
Total Wind MW	MW	800.5	927.6	1,030.0	1,280.1	1,620.3	1,720.5	1,720.7	1,720.9

Non-Generation Revenues Schedule

Base Case Tata Power Company Ltd. for year ending 31st March		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
EPC of Solar Projects & Cell and Module									
Sale of Solar Products	cr	4,583.2	4,930.1	6,361.1	7,633.4	9,160.0	10,992.0	13,190.4	15,828.5
Construction Contracts	cr	-	-	229.4	240.8	252.9	265.5	278.8	292.7
Electronic Products	cr	4.8	4.7	6.6	7.3	8.0	8.8	9.7	10.6
Total Revenues	cr	4,588.0	4,934.9	6,597.1	7,881.5	9,420.9	11,266.4	13,478.9	16,131.9
Revenue growth			8%	34%	19%	20%	20%	20%	20%
Implied COGS				(6,210.9)	(7,329.8)	(8,761.4)	(10,477.7)	(12,535.4)	(15,002.7)
COGS %				94%	93%	93%	93%	93%	93%
Implied EBITDA				386.24	551.7	659.5	788.6	943.5	1,129.2
EBITDA Margin				5.9%	7.0%	7.0%	7.0%	7.0%	7.0%

Revolver Schedule

Base Case Tata Power Renewable Energy Limited for year ending 31st March		FY25E	FY26E	FY27E	FY28E	FY29E
Revolver						
Revolver Multiple						
Revolver Maximum	x Trade Receivables					
Minimum Cash balance	cr	1,747.5	2,171.0	2,662.0	3,237.9	3,918.6
Revolving Credit Line						
Cash from Operations	cr	1,376.8	1,587.8	2,106.2	2,658.0	3,289.5
Cash from Investment Activities	cr	(11,636.7)	(13,946.2)	(17,666.9)	(16,716.8)	(20,888.0)
LT Borrowings	cr	5,095.9	8,367.7	10,600.1	10,030.1	12,532.8
Other ST borrowings (ex Revolver)	cr	2,224.8	(278.6)	(2,572.0)	(103.8)	455.0
Equity Issuance	cr	3,141.9	3,765.5	4,770.1	4,513.5	5,639.7
Lease liabilities	cr	8.3	-	-	-	-
Add: Cash from previous year	cr	1,084.3	1,296.2	792.4	500.0	500.0
Less: Minimum Cash Balance	cr	(500.0)	(500.0)	(500.0)	(500.0)	(500.0)
Cash Available / (Required) from Revolver	cr	795.2	292.4	(2,470.0)	381.1	1,029.1
Revolving Credit Line (Drawn)						
Beginning	cr	-	-	-	2,470.0	2,088.9
Additions (Repayments)	cr	-	-	2,470.0	(381.1)	(1,029.1)
Ending	cr	-	-	2,470.0	2,088.9	1,059.8
Capacity left on revolver	cr	1,747.5	2,171.0	192.1	1,149.0	2,858.7
Interest rate on RCL						
Interest expenses	cr	5.0%	5.0%	5.0%	5.0%	5.0%
		-	-	61.7	114.0	78.7
Revolving Credit Line (Undrawn)						
Beginning	cr	1,747.5	2,171.0	2,662.0	767.9	1,829.7
Repayments (Additions)	cr	-	-	(2,470.0)	381.1	1,029.1
Ending	cr	1,747.5	2,171.0	192.1	1,149.0	2,858.7
Commitment fee rate	cr	0.5%	0.5%	0.5%	0.5%	0.5%
Commitment fee on RCL	cr	8.7	10.9	7.1	4.8	11.7
Total financing costs	cr	8.7	10.9	68.9	118.8	90.4
Revolving credit line balance exceed Maximum?		No	No	No	No	No

USD'm Dashboard

Base Case									
Tata Power Renewable Energy Limited									
for year ending 31st March									
		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E
Income Statement									
Revenues									
EPC	USD'm	550.6	592.2	791.7	945.8	1,130.5	1,352.0	1,617.5	1,935.8
Electric Power Generation (Renewables)	USD'm	333.8	369.1	399.2	502.1	674.1	866.3	1,085.8	1,340.8
Others	USD'm	18.8	22.4	30.1	24.0	24.0	24.0	24.0	24.0
Operating revenues	USD'm	903.2	983.6	1,221.0	1,471.9	1,828.6	2,242.3	2,727.3	3,300.6
Other income	USD'm	12.1	34.4	27.0	24.0	24.0	24.0	24.0	24.0
Total revenues	USD'm	915.3	1,018.0	1,248.0	1,471.9	1,828.6	2,242.3	2,727.3	3,300.6
COGS	USD'm	(569.4)	(632.6)	(838.5)	(999.2)	(1,215.2)	(1,472.0)	(1,778.7)	(2,146.1)
Impairment of Goodwill		-	-	(12.1)	-	-	-	-	-
EBITDA	USD'm	333.8	351.1	382.5	472.7	613.5	770.2	948.5	1,154.6
Generation	USD'm	-	-	306.0	382.5	510.3	651.6	811.3	995.1
Non-Generation	USD'm	-	-	46.3	66.2	79.1	94.6	113.2	135.5
Others	USD'm	-	-	30.1	24.0	24.0	24.0	24.0	24.0
Finance Costs	USD'm	(121.8)	(145.4)	(150.3)	(203.6)	(262.1)	(326.8)	(404.3)	(494.4)
D&A	USD'm	(112.8)	(128.9)	(127.8)	(134.3)	(183.7)	(245.2)	(319.0)	(412.5)
PBT	USD'm	111.2	111.1	119.3	158.8	191.7	222.2	249.2	271.6
Tax expenses	USD'm	(29.0)	(23.5)	(29.5)	(38.1)	(46.0)	(53.3)	(59.8)	(65.2)
Net Income	USD'm	82.2	87.6	89.7	120.7	145.7	168.8	189.4	206.4
Balance Sheet (₹'USD'm)									
Assets									
Current Assets									
Cash and Cash Equivalents	USD'm	41.6	460.9	130.1	155.5	95.1	60.0	60.0	60.0
Trade Receivables	USD'm	295.6	349.8	409.6	483.9	601.2	737.2	896.6	1,085.1
Inventories	USD'm	193.1	120.3	208.8	248.8	302.6	366.6	443.0	534.5
Other Current Assets	USD'm	187.14	251.78	199.61	199.6	199.6	199.6	199.6	199.6
Total Current Assets	USD'm	717.54	1,182.8	948.1	1,087.9	1,198.5	1,363.4	1,599.2	1,879.2
Non-current Assets									
Net PP&E	USD'm	2,169.2	2,390.1	3,282.1	4,544.2	6,034.1	7,908.8	9,595.8	11,689.8
Goodwill and Intangibles	USD'm	125.6	314.0	298.9	298.9	298.9	298.9	298.9	298.9
Trade Receivables	USD'm	82.3	43.2	32.8	40.3	50.1	61.4	74.7	90.4
Others	USD'm	299.7	191.2	461.5	461.5	461.5	461.5	461.5	461.5
Total Non-current Assets	USD'm	2,676.7	2,938.4	4,075.3	5,344.9	6,844.6	8,730.7	10,431.0	12,540.7
Total Assets	USD'm	3,394.3	4,121.3	5,023.4	6,432.8	8,043.1	10,094.1	12,030.2	14,419.9
Liabilities									
Current Liabilities									
Borrowings	USD'm	547.1	402.2	418.8	685.9	652.4	640.2	582.0	513.1
Lease Liabilities	USD'm	0.8	1.3	0.2	1.2	1.2	1.2	1.2	1.2
Trade Payables	USD'm	322.1	192.3	162.3	194.4	236.4	286.3	346.0	417.5
Others	USD'm	384.6	370.2	752.2	752.2	752.2	752.2	752.2	752.2
Total Current Liabilities	USD'm	1,254.7	965.9	1,333.4	1,633.6	1,642.2	1,679.9	1,681.4	1,684.0
Non-current Liabilities									
Borrowings	USD'm	1,294.3	1,541.1	1,924.0	2,535.5	3,539.7	4,811.7	6,015.3	7,519.2
Lease Liabilities	USD'm	0.3	27.8	57.5	57.5	57.5	57.5	57.5	57.5
Deferred Tax Liabilities	USD'm	10.6	57.1	66.1	66.1	66.1	66.1	66.1	66.1
Others	USD'm	108.3	57.2	92.5	92.5	92.5	92.5	92.5	92.5
Total Non-current Liabilities	USD'm	1,413.5	1,683.2	2,140.1	2,751.6	3,755.8	5,027.8	6,231.4	7,735.3
Total Liabilities	USD'm	2,668.1	2,649.1	3,473.6	4,385.2	5,398.0	6,707.7	7,912.8	9,419.3
Stockholders' Equity									
Total Stockholders' Equity	USD'm	721.6	1,466.4	1,547.6	2,045.4	2,642.9	3,384.2	4,115.2	4,998.4
Non-controlling Interests	USD'm	4.5	5.8	2.2	2.2	2.2	2.2	2.2	2.2
Total Equity	USD'm	726.1	1,472.1	1,549.8	2,047.6	2,645.1	3,386.4	4,117.4	5,000.6
Total Liabilities and Shareholders' Equity	USD'm	3,394.3	4,121.3	5,023.4	6,432.8	8,043.1	10,094.1	12,030.2	14,419.9
<i>Balance Sheet Check</i>		OK	OK	OK	OK	OK	OK	OK	OK
Cash Flow Statement									
Operating Cash Flows									
Net Income					120.7	145.7	168.8	189.4	206.4
Depreciation & Amortization	USD'm				134.3	183.7	245.2	319.0	412.5
Changes in Inventory	USD'm				(40.0)	(53.8)	(64.0)	(76.4)	(91.5)
Changes in Other Current Assets	USD'm				-	-	-	-	-
Changes in Trade Payables	USD'm				32.1	42.0	50.0	59.7	71.5
Changes in Other Current Liabilities	USD'm				-	-	-	-	-
Total Cash Flow from Operations	USD'm				165.2	190.5	252.7	319.0	394.7
Investing Cash Flows									
Changes in Gross PP&E	USD'm				(1,396.4)	(1,673.5)	(2,120.0)	(2,006.0)	(2,506.6)
Total Cash Flows from Investing Activities	USD'm				(1,396.4)	(1,673.5)	(2,120.0)	(2,006.0)	(2,506.6)
Financing Cash Flows									
Changes in Short-Term Borrowings	USD'm				267.1	(33.4)	(12.2)	(58.2)	(68.9)
Changes in Long-term Borrowings	USD'm				611.5	1,004.1	1,272.0	1,203.6	1,503.9
Changes in Short-Term Lease Liabilities	USD'm				1.0	-	-	-	-
Changes in Long-term Lease Liabilities	USD'm				-	-	-	-	-
Changes in Equity Share Capital and Securities Premium	USD'm				377.0	451.9	572.4	541.6	676.8
Total Cash Flows from Financing Activities	USD'm				1,256.6	1,422.6	1,832.2	1,687.0	2,111.8
Beginning Cash Balance	USD'm				130.1	155.5	95.1	60.0	60.0
Net Cash Inflow / (Outflow)	USD'm				25.4	(60.5)	(35.1)	0.0	(0.0)
Ending Cash Balance	USD'm				155.5	95.1	60.0	60.0	60.0

Sensitivity Dashboard

Sensitivities			1	2	3	4	5	6	7	8
Scenario			Base	Worst	Best	[Spare]	[Spare]	[Spare]	[Spare]	[Spare]
Profitability										
Generation										
Hours in year	8,760.0	h	8,760.0	8,760.0	8,760.0					
Blended CUF	21.0%	%	21.0%	20.0%	22.0%					
Implied % of EBITDA (FY24A)	80.0%	%	80.0%	80.0%	80.0%					
Hybrid tariff rate	4.2	NR/kWh	4.2	4.0	4.5					
Unannounced capacity forecast										
FY25E	700.0	GW	700.0	560.0	700.0					
FY26E	1,600.0	GW	1,600.0	1,280.0	1,600.0					
FY27E	1,300.0	GW	1,300.0	1,040.0	1,300.0					
FY28E	2,000.0	GW	2,000.0	1,600.0	2,000.0					
FY29E	2,500.0	GW	2,500.0	2,000.0	2,500.0					
COGS Inflation	2.0%	%	2.0%	3.0%	2.0%					
Non-Generation										
Sale growth of solar products p.a.	20.0%	%	20.0%	15.0%	25.0%					
Sale growth of construction p.a.	5.0%	%	5.0%	0.0%	10.0%					
Sale growth of electronics p.a.	10.0%	%	10.0%	0.0%	10.0%					
EBITDA margin	7.0%	%	7.0%	6.0%	8.0%					
Consolidated										
Other revenues	200.0	cr	200.0	200.0	200.0					
Other income	200.0	cr	200.0	200.0	200.0					
Interest rate on borrowings	6.0%	%	6.0%	6.0%	5.0%					
DA (% of PPE)	4.0%	%	4.0%	4.0%	4.0%					
Tax rate	24.0%	%	24.0%	26.0%	22.0%					
Assets										
DRO (Current)	120.0	days	120.0	120.0	120.0					
DRO (Non-Current)	10.0	days	10.0	10.0	10.0					
DIO	90.9	days	90.9	90.9	90.9					
PPE inflation	5.0%	cr	5.0%	6.0%	4.0%					
Depreciation / year	4.0%	%	4.0%	5.0%	3.0%					
Liabilities										
DPO	71.0	days	71.0	71.0	71.0					
Growth of LT debt / Equity (as % of Capex)										
LT debt	60.0%		60.0%	65.0%	55.0%					
Equity	27.0%		27.0%	25.0%	30.0%					