Date: April 26, 2023

The Manager- Listing Department
Wholesale Debt Market
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (E)
Mumbai-400051

Dear Sir,

Re: SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018, updated by SEBI/HO DDHS/P/CIR/2021/613 and further update by Operational Circular uploaded on April 13, 2022- Fund raising by issuance of debt securities by large entities – Annual Disclosure

With reference to the above circular, we wish to inform you that our Company, ReNew Akshay Urja Limited was "Not a large Corporate" (LC) for the FY 2022-23 as per the framework provided in the aforesaid circular as it did not full fill the credit rating criterion as it is supported by partial unconditional and irrevocable guarantee by India Infrastructure Finance Company Limited.

For and on behalf of
ReNew Akshay Urja Limited

R SAI KRISHNAN
Digitally signed by R SAI KRISHNAN
Date: 2023.04.26 23:24:23 +05'30'

Sai Krishnan
Company Secretary & Compliance Officer

Renew Akshya Urja Limited

June 27, 2022

Rating

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures@	612.75 (Reduced from 650.25)	CARE AA+ (CE); Stable [Double A Plus (Credit Enhancement); Outlook: Stable]	Reaffirmed
Total long-term instruments	**612.75 (₹ Six hundred twelve crore and seventy-five lakh only)**		

Details of instruments/facilities in Annexure-1.

@Backed by an unconditional and irrevocable first loss partial credit guarantee from Indian Infrastructure Finance Company Ltd (IIFCL; rated 'CARE AAA; Stable') and Indian Renewable Energy Development Agency Limited (IREDA; rated 'CARE AA+; Stable'), whereby, they guarantee to pay to the debenture trustee any shortfall in the amount required to be paid by the issuer to the debenture trustee in respect of redemption amounts (to the extent of principal amounts and interest payable) up to a maximum amount, as specified in the guarantee agreement (partial guarantee ranging from 31.5% to 34.8% of outstanding principal amount and averaging around 33% for the tenure of the non-convertible debenture. The obligations of each guarantor (IIFCL and IREDA) to pay the aggregate shortfall amount are in the proportion of applicable IIFCL available residual guaranteed amount to the IREDA available residual guaranteed amount.

Unsupported Rating	**CARE A- (Single A Minus) [Reaffirmed]**

Note: Unsupported Rating does not factor in the explicit credit enhancement.

Detailed rationale and key rating drivers

The rating assigned to ReNew Akshya Urja Limited's (RAUL) non-convertible debenture (NCD) is based on credit enhancement (CE) in the form of an unconditional and irrevocable first loss partial credit guarantee (FLPCG) from India Infrastructure Finance Company Limited (IIFCL; rated CARE AAA; Stable) and Indian Renewable Energy Development Agency Limited (IREDA; rated CARE AA+; Stable) in the manner described above, along with a structured payment mechanism for the timely redemption of the NCDs.

The rating derives comfort from the operational track record of more than six years for the 124-megawatt (MW) solar capacity, with the actual generation being in line with the envisaged estimates. The rating factors in the strong parentage of RAUL by virtue of it being a wholly-owned subsidiary of Renew Solar Power Private Limited (RSPPL), which is a subsidiary of Renew Power Private Limited (RPPL; rated CARE A+; Positive/CARE A1+). The project also benefits from the long-term revenue visibility due to the presence of a long-term power purchase agreement (PPA) with Telangana State Southern Power Distribution Company Limited (TSSPDCL) for the entire capacity, along with the presence of a two-quarter debt service reserve account (DSRA) and one-quarter additional liquidity reserve account (ALRA). The coverage indicators for the project remain comfortable, with a cumulative average debt service coverage ratio (DSCR) for the tenor of the debt remaining above 1.4x as per CARE Ratings Limited's (CARE Ratings') base case. The base rating is further uplifted because of the FLPCG extended by IIFCL and IREDA, aggregating to around 33% of the outstanding NCD balance.

Nevertheless, the base rating is constrained by the high counterparty credit risk due to the weak financial risk profile of the off-taker, which has resulted in an elongated receivable cycle. CARE Ratings also makes a note of the leveraged capital structure of the company, along with the presence of coupon step ups at the end of the fifth year (September 2022) and 10th year (September 2027) from the date of allotment of the NCDs. The rating also considers the vulnerability of cash flows to adverse variation in weather conditions, given the single-part tariff for the project.

Key rating sensitivities

Positive factors – Factors that could lead to positive rating action/upgrade:
Not applicable

Negative factors – Factors that could lead to negative rating action/downgrade:

- Deterioration in the operational profile, as characterised by sustained underperformance in generation profile along with a receivable cycle remaining above 15 months on a sustained basis.
- Non-receipt or delays in the receipt of timely need-based support from the Renew group.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

- Non-compliance of various covenants as per sanctioned terms.
- Deterioration in the credit risk profile of FLPCG providers, viz, IIFCL and IREDA.

Detailed rationale and key rating drivers of the Unsupported Rating

The Unsupported Rating assigned to RAUL positively factors in the strong sponsor strength by virtue of it being part of the Renew group along with the operational track record of more than six years for the entire 124-MW solar power project and its revenue visibility due to the presence of a medium-term PPA with a Telangana state discom.

The rating is, however, constrained on account of the leveraged capital structure, modest counterparty credit risk, and exposure to variation in weather conditions.

Detailed description of the key rating drivers

Key rating strengths

CE in the form of partial credit guarantee by IIFCL and IREDA: The repayment of the NCDs of RAUL is envisaged primarily from the proceeds from the sale of power. Additionally, the NCDs are credit-enhanced by an unconditional and irrevocable FLPCG from co-guarantors IIFCL and IREDA. While the FLPCG percentage varies tranche-wise, on an overall basis, it ranges from 31.5% to 34.8%, with an average partial credit guarantee available of around 33% for the entire duration of the NCDs. The available guarantee will be in accordance with the applicable percentage of the principal amount. Thereafter, on the first day of the second guarantee fee calculation period and any guarantee fee calculation period thereafter (applicable for both, IIFCL and IREDA), the available guarantee amount will be the aggregate of: 1) the available residual guarantee amounts at the start of the immediately preceding period plus; 2) any shortfall recovery amount received by IIFCL; 3) less any shortfall amount paid by the guarantor (IIFCL or IREDA). However, as per the sanctioned terms, IREDA's maximum guaranteed exposure will be restricted to around ₹78 crore and will be available for a period of the initial eight years. Furthermore, IIFCL's maximum guaranteed exposure is restricted to around ₹182 crore and will be available for the entire duration of the proposed NCDs.
The issuance of ₹760 crore is divided into three separate tranches – Tranche-I of ₹100 crore, Tranche-II of ₹250 crore, and Tranche-III of ₹410 crore. The tenure of the three tranches is five years, 10 years and 17 years, respectively.

Cash flow waterfall: The company is operating through a trust and retention account (TRA) with various sub-accounts. The proceeds from the project are being deposited into a revenue sub-account. So long as no event of default has occurred, withdrawal from the revenue sub-account on each monthly distribution date will only be for the following purposes (to be transferred in the respective sub-accounts) and in the following order of priority:

1. Statutory dues for payment of taxes
2. Operations and operations and maintenance (O&M) expenses
3. Guarantee fee, such that the balance is equal to the guaranteed fee-required balance
4. Debt servicing
5. Guarantee fee reserve, such that the balance is equal to the guarantee fee reserve at all times
6. Guarantor's debt service amount payable
7. Debt service reserve, such that the balance is equal to the required DSRA at all times
8. Inverter replacement reserve, such that the balance is equal to the inverter replacement reserve amount on or prior to the end of each financial year
9. Additional liquidity reserve, such that the balance is equal to the additional liquidity reserve amount on or prior to the end of each financial year
10. To pay all the balance amounts standing to the credit of the revenue sub-account after complying with the provisions into the surplus sub-account.

On any date, if funds available in the debt service sub-account are insufficient to meet the redemption amount and/or interest payable on the immediately following monthly distribution date, the account bank will transfer funds, first from the distribution sub-account, second from the surplus sub-account, third from the additional liquidity reserve sub-account, fourth from the sponsor support sub-account, fifth from the cash trap sub-account, sixth from the insurance proceeds sub-account, seventh from the DSRA sub-account, eight from the inverter replacement reserve sub-account, and lastly, utilise the amount of the shortfall amount paid in accordance with the guarantee agreement to meet the insufficiency.

Structured payment mechanism for invocation of partial guarantee: The debenture trustee (DT) will give notice to the guarantors and sponsors of any expected shortfall amount, no later than 10 days prior to the payment date, in respect of such shortfall amount. The obligation of the guarantors under the guarantee will not be contingent upon receipt of such notice. The DT will submit to the guarantor a shortfall instruction for payment of any shortfall amount, at least six business days prior to the payment date. The DT will only deliver such shortfall instructions to the guarantors, in the event that the funds in the debt service sub-account along with amounts in the various other accounts (distribution, DSRA, cash trap, sponsor support, insurance proceeds, ALRA, inverter reserve, and surplus) available towards deposits in the debt service sub-account are less than the redemption amount payable on the immediately next payment date. The guarantors will unconditionally pay no later than one business day before the relevant payment date, immediately following the date of delivery of such shortfall instructions. Any shortfall instruction pursuant to acceleration will be delivered by the DT to the guarantor, no later than two business days after the occurrence of such an acceleration. The obligation of each guarantor (IIFCL and IREDA) to pay the shortfall amount will be in the proportion of the then applicable IIFCL available residual guarantee amount to the IREDA available residual guarantee amount.

Continuous maintenance of various reserves along with the timely receipt of need-based support from RPPL, leading to strong liquidity: The company continues to maintain a DSRA of ₹50 crore (covering peak six months of debt servicing obligations), which needs to be maintained during the full tenor of the NCD. Additionally, the company has created an additional liquidity reserve account (ALRA) of ₹25 crore (covering three months of debt servicing obligations), which would have been available for the initial three years, provided the project would have met the base case capacity utilisation factor (CUF) levels for the period FY19-FY21. However, since the CUF levels were lower than the envisaged base case for FY20, ALRA will be available until FY23, provided the generation levels comply with the stipulated terms and conditions. This reserve will be added to the DSRA up to a cap of ₹7.5 crore and the remaining surplus will be made available to the sponsors, provided the project is performing at or better than the net plant load factor (PLF) benchmark for any three consecutive years for the period ending March 31, 2019, and annually thereafter.
The company will maintain an inverter replacement reserve (₹1.24 crore per annum) on an annual basis, starting from the sixth year (from the deemed date of allotment, ie, September 26, 2017) until the debentures are redeemed in full. Also, as per the agreed terms, the company is maintaining a guarantee fee reserve account, equivalent to the scheduled guarantee fee payments over the succeeding 18 months (around ₹8 crore as on June 2022).
Furthermore, as per the terms, the company needs to arrange for a working capital facility for ₹40 crore (covering around 4.8 months of debt servicing obligations) within three months from the deemed date of allotment. However, the company has not availed any working capital facilities. Nevertheless, RPPL has been supporting RAUL with the timely infusion of funds as unsecured loans in case of cash flow mismatches. The presence of various reserves and the timely receipt of need-based support from the parent, viz, RPPL, provides comfort from the liquidity perspective.

Cash trap: In case of breach of any cash trap trigger, all surplus cash flows for the year will be trapped in the cash trap account (CTA). All surplus cash flows, as per the waterfall mechanism, will flow into the surplus account and be available at the discretion of the company (except in the event of default), provided various conditions are met as stipulated in the transaction documents, including the DSCR (tested on annual basis) exceeding 1.15x for the respective years until March 2023. If the project operates at or above the net PLF benchmark for any three consecutive years for the period ending March 2019 and annually thereafter until March 2023, the DSCR will be reset to 1.10x for the years after March 2023. Furthermore, if the project does not operate at or above the net PLF benchmark for any three consecutive years for the period ending March 2019 and annually thereafter until March 2023, the DSCR will continue to be set at 1.15x until the project achieves three consecutive years of operations at or above the net PLF benchmark. Initially, the DSCR will be set at 1.15x until FY23.

The cash trap will also be triggered to the extent of 50% of the cash available in the surplus account to be trapped, in case receivable days are greater than 120 days but less than 150 days. In case the receivable days are higher than 150 days, 100% of the cash available for the surplus account will be trapped. However, the condition for receivable days will become applicable from the sixth year, ie, FY24 (not applicable for the first five years, from FY19 to FY23).

Put option: In case of a rating downgrade of debentures below AA- (CE), the company will have 60 days from the date of such downgrade to arrange funds for redeeming the debentures in full or getting the rating reinstated to at least "AA- (CE)". In case of multiple rating agencies, the lower rating available will be considered. In case the debentures are not redeemed or the ratings are not reinstated to at least "AA- (CE)" by the rating agency within 60 days from the date of such rating downgrade, the DT will have the right to exercise a Put option (within 15 days) on the debentures and the payouts against the Put option will be ensured by the company within 60 days from the exercise of the Put option.

Strong parentage and operating track record of the Renew group in the renewable energy segment: RPPL is the flagship company of Renew Energy Global PLC and is the parent entity of all the renewable energy assets of the group. In August 2021, the Renew group raised US$ 610 million of primary equity from listing and private placement in public equity (PIPE) investment through a special purpose acquisition company (SPAC) transaction. The group raised equity in two tranches, through public offering and PIPE investment. With this, Renew Energy Global PLC (REG; offshore entity) is now listed on the Nasdaq Stock Exchange. The company has expanded its capacity significantly, to become one of the largest renewable energy companies in India. As on March 2022, RPPL has an operational capacity of around 7.5 gigawatt (GW) (51%: wind; 47.5%: solar; and 1.5%: hydro), majority of which have tied-up long-term PPAs. In addition, the company has around 5.2 GW of power projects under implementation or in various stages of planning.

Satisfactory operational performance since commissioning: The entire 124-MW capacity was commissioned in phases between April 2016 and June 2016 and has an operational track record of around six years. During FY22, the plant generation has been satisfactory, with a net CUF of 20.05% (as against the sixth year P-90 CUF of 20.32% and FY21 net CUF of 20.04%). As per the solar assessment study, the expected CUF at P-90 level for the first full year of operation is 20.94% for the 100-MW Mahabubnagar plant and 20.97% for the 24-MW Medak plant).
Furthermore, after the completion of RAUL's five-year O&M contract with Mahindra Susten Private Limited and Sterling & Wilson Private Limited, RAUL is now carrying out O&M through RPPL's in-house O&M entity.

Long-term PPAs providing revenue visibility: The company is supplying the entire power under its long-term PPAs to TSSPDCL, for a period of 25 years, at a fixed tariff of ₹6.73 per kWh for the 100-MW Mahabubnagar project and ₹6.80 per kWh for the 24-MW Medak project. The presence of long-term PPAs with TSSPDCL at a fixed tariff provides long-term revenue visibility. As per the terms of the PPAs, TSSPDCL has to make payments to the company within 30 days from the receipt of invoices.

Industry outlook

India has an installed renewable capacity of around 110 GW (excluding large hydro) as on March 31, 2022, comprising solar power of 54 GW, wind power of 40 GW, small hydro of 5 GW, and other sources including biomass of 11 GW. There has been a significant traction in solar power installations over the past few years and the cumulative solar power capacity has surpassed the installed wind power capacity, despite its late and slow start. The overall renewable energy installations have increased at a CAGR of 17% from FY16 to FY22. Over the years, the renewable energy industry has benefitted because of the government's strong policy support, India's largely untapped potential, the presence of creditworthy central nodal agencies as intermediary procurers, and the improvement in tariff competitiveness. Going forward, with India setting up an ambitious target of achieving 450 GW renewable capacity by 2030, the regulatory framework is expected to remain supportive. However, developers are expected to face challenges in the near term because of the rising cost of modules, turbines, and other ancillary products, along with the imposition of basic customs duty on cells and modules from April 2022 onwards, which is expected to drive up costs and result in an increase in bid tariffs for new projects. This apart, challenges for the acquisition of land and availability of transmission infrastructure also remain a key bottleneck. However, the Indian renewable industry continues to be a preferred investment alternative for both, domestic as well as foreign investors and is expected to post robust growth going forward as well, which results in CARE Ratings assigning a 'Stable' outlook to the industry.

Key rating weaknesses

Exposure to counterparty credit risk: The company's operations remain exposed to the counterparty credit risk of TSSPDCL, as it is the sole off-taker. The credit profile of TSSPDCL remains modest, owing to inadequate tariffs in relation to its cost of supply and the high subsidy dependence. The present receivable cycle of the company remains stretched, at around 15-16 months. The funding gap is being met through support from the parent, as reflected by the infusion of unsecured loans outstanding to the tune of ₹15.3 crore as on March 31, 2022. The timely collection of payments from TSSPDCL on a sustained basis will be a key rating monitorable from the credit perspective.

Climatic, technological and regulatory risks: Achievement of the desired CUF, going forward, will be subject to changes in climatic conditions, the amount of degradation of modules, and other technological factors. Also, the project will be dependent on the discom's ability to off-take 100% of the power generated (some back-down was seen in FY20), as the PPA does not provide any protection in the form of deemed generation clause. The track record of solar equipment performance is relatively short in Indian conditions and the establishment of energy generation at envisaged levels remain crucial.

Liquidity analysis: Adequate

As on June 20, 2022, RAUL has a cash balance of ₹13 crore along with a two-quarter DSRA and one-quarter ALRA, aggregating to ₹75 crore, which provides adequate liquidity cushion. Additionally, there is a guarantee fee reserve of around ₹8 crore maintained in the form of fixed deposits. The company does not have any sanctioned working capital facilities as on date. Nevertheless, the parent company, RPPL, has been supporting the project special purpose vehicle (SPV) by the infusion of funds as unsecured loans, outstanding to the tune of around ₹15.3 crore as on March 31, 2022, to take care of the liquidity requirements, following the delayed receipts of payments from TSSPDCL. The receivables are expected to come with a delay and the Renew group is expected to support the project in case of cash flow mismatches. The internal accruals are anticipated to be adequate to service its debt obligations. As per CARE Ratings' base case, the gross cash accruals (GCA) for FY2023 and FY2024 is expected to be around ₹60-62 crore, as against annual repayments of around ₹38-40 crore.

Analytical approach

CE Rating: CARE Ratings has taken a standalone view of the entity, including the operational and financial performance, sponsor strength, as well as CE through the FLPCG by IIFCL and IREDA, and the structured payment mechanism to support debt servicing in case of any shortfall in project cash flows. CARE Ratings has taken a combined view on all the three tranches under the proposed NCD.

Unsupported Rating: Standalone

Applicable criteria

Policy on Default Recognition
Financial ratios – Non-financial sector
Liquidity analysis of non-financial sector entities
Rating credit enhanced debt
Rating outlook and credit watch
Infrastructure sector ratings
Power generation projects
Solar power projects

About the company

RAUL (erstwhile Renew Akshay Urja Private Limited) is promoted by RSPPL (solar holding company of the group), a subsidiary of RPPL (erstwhile Renew Power Limited; rated CARE A+; Positive/CARE A1+, with 100% shareholding). RAUL has implemented a photovoltaic (PV) solar power project in the districts of Mahabubnagar and Medak in the state of Telangana. The total capacity of the project is 124 MW (100 MW – Mahabubnagar, 24 MW – Medak). The project has been completed at a cost of ₹969.43 crore (₹7.82 crore per MW), funded at a debt:equity ratio of 2.48x.
The company has signed a PPA with TSSPDCL (erstwhile Andhra Pradesh Central Power Distribution Company Limited (APCPDCL) for both the locations, for a period of 25 years from the COD, at a tariff of ₹6.73 per kWh for 100 MW capacity, while for the remaining 24 MW capacity, at a tariff of ₹6.80 per kWh. The company achieved COD in phases, with the 60-MW capacity at Mahabubnagar commissioned on April 12, 2016, the 24-MW capacity at Medak commissioned on June 5, 2016, and the remaining 40-MW capacity at Mahabubnagar commissioned on June 30, 2016.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (Prov)
TOI	143.9	146.1	144.7
PBILDT	130.2	131.5	128.9
PAT	15.6	36.5	34.6
Overall gearing (times)	2.3	1.8	1.6
Interest coverage (times)	2.02	2.21	2.28

A: Audited. Prov: Provisional.

Background of CE providers

IIFCL (rated CARE AAA; Stable) IIFCL is a SPV promoted and regulated directly by the GoI with an aim to provide long-term financial assistance to infrastructure projects in India. It is wholly owned by the GoI. It is the apex financial intermediary for the purpose of developing and financing infrastructure projects and facilities in India. During FY14, IIFCL got registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company-Infrastructure Finance Company (NBFC-IFC).
As part of financial assistance products, IIFCL offers the "Credit Enhancement Scheme", under which it provides CE by way of unconditional and irrevocable partial credit guarantee for operational infrastructure projects.
As per the audited financials of FY21, IIFCL reported a total income of ₹4,013 crore and a net profit of ₹285 crore during FY21, as against a total income of ₹4,215 crore and a net profit of ₹51 crore in FY20. Furthermore, during H1FY22, IIFCL's operational performance has improved, as it reported a PAT of ₹554 crore against a profit of ₹271 crore in H1FY20.
IIFCL's asset quality profile stands weak, with gross non-performing assets (NPA) and net NPA ratios of 13.90% and 5.39%, respectively, as on March 31, 2021, improved from 19.69% and 9.75%, respectively, as on March 31, 2020.
For the detailed rating rationale of IIFCL, please visit our website www.careratings.com

IREDA (rated CARE AA+; Stable): Incorporated in 1987, IREDA is a wholly-owned GoI enterprise working under the administrative control of the Ministry of New and Renewable Energy (MNRE), GoI. IREDA has been notified as a "Public Financial Institution" under the Companies Act, 1956, and registered as an NBFC with the RBI, formed for the purpose of

promoting and financing renewable energy (RE) and energy efficiency (EE) projects in India. IREDA mainly finances projects in the wind, hydro, solar, and bio-energy sectors.
During FY21, IREDA reported a net profit of ₹346 crore on a TOI of ₹2,659 crore, as against a net profit of ₹214 crore on a TOI of ₹2,372 crore for FY20. Furthermore, during FY22, the company reported a net profit of ₹633 crore on a TOI of ₹2,859 crore. IREDA's three-year loan book CAGR improved to 21%, as against 14% earlier. The gross loan portfolio of IREDA has grown by 17%, from ₹23,714 crore as on March 31, 2020 to ₹27,840 crore as on March 31, 2021. The tangible net worth of the company is ₹2,379 crore as on March 31, 2020, down 5.4% from ₹2,515 crore as on March 31, 2019, owing to lower internal accruals.
IREDA reported a GNPA and NNPA of 8.77% and 5.61%, respectively, as on March 31, 2021, as against 10.08% and 7.18%, respectively, as on March 31, 2020.
For the detailed rating rationale of IREDA, please visit our website www.careratings.com

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not Applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non-convertible debentures (Tranche -I)	INE558T07016	September 26, 2017	8.55%	September 30, 2022	612.75	CARE AA+ (CE); Stable
Debentures-Non-convertible debentures (Tranche -II)	INE558T07024		8.65%	September 30, 2027		
Debentures-Non-convertible debentures (Tranche -III)	INE558T07032		8.75%	September 30, 2034		
Unsupported Rating	-	-	-	-	0.00	CARE A-

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1.	Debentures-Non-convertible debentures	LT	612.75	CARE AA+ (CE); Stable	-	1)CARE AA+ (CE); Stable (June 30, 2021)	1)CARE AA+ (CE) (CWD) (July 03, 2020)	1)CARE AA+ (CE); Stable (August 12, 2019) 2)CARE AA+ (CE); Stable (July 04, 2019)
2.	Unsupported Rating	LT	0.00	CARE A-	-	1)CARE A- (June 30, 2021)	1)CARE A- (CWD) (July 03, 2020)	-

*Long term/short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Name of the Instrument – NCD	Detailed Explanation
A. Financial covenants	DSCR below 1.15x until FY23 (to be lowered to 1.10x if the project operates at or above the benchmark generation levels for three consecutive years immediately preceding April 1, 2023, or for any subsequent annual date of testing of the DSCR), unavailability of all the required reserves, breach of any covenants under the transaction documents, an event of default or a defined rating downgrade event can trigger a cash trap event as per the NCD documents.
B. Non-financial covenants	
Other conditions	I. RSPPL to hold at least 51% of the total issued, voting and paid-up equity share capital of the issuer and control in the issuer till the debentures are fully redeemed.
	II. Maintenance of adequate insurance policies

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple
2	Unsupported Rating	Simple

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Annexure: NCD amortisation and partial credit guarantee (PCG) schedule tranche-wise

					PCG of O/s principal - IREDA (%)				PCG of O/s principal - IIFCL (%)				Overall PCG - IREDA + IIFCL (%)			
	Tranche I Repayment	**Tranche II Repayment**	**Tranche III Repayment**	**Total Repayment**	**Tranche I**	**Tranche II**	**Tranche III**	**Total**	**Tranche I**	**Tranche II**	**Tranche III**	**Total**	**Tranche I**	**Tranche II**	**Tranche III**	**Total**
FY19	20.00	8.00	1.00	29.00	0.00%	8.89%	13.68%	10.44%	42.87%	25.86%	19.35%	24.34%	42.87%	34.74%	33.02%	34.78%
FY20	20.00	11.75	1.00	32.75	0.00%	9.19%	10.77%	9.19%	42.45%	25.44%	22.41%	25.37%	42.45%	34.62%	33.18%	34.56%
FY21	20.00	13.75	1.25	35.00	0.00%	6.15%	9.08%	7.44%	42.08%	27.87%	23.89%	26.54%	42.08%	34.01%	32.97%	33.98%
FY22	20.00	15.75	1.75	37.50	0.00%	2.80%	7.38%	5.54%	43.25%	29.33%	24.59%	27.01%	43.25%	32.13%	31.97%	32.55%
FY23	10.00	25.50	3.25	38.75	0.00%	3.03%	3.71%	3.43%	41.09%	28.64%	27.75%	28.25%	41.09%	31.66%	31.46%	31.68%
FY24		35.75	4.50	40.25		2.89%		0.87%		28.52%	31.54%	30.63%		31.42%	31.54%	31.50%
FY25		37.75	4.50	42.25		2.92%		0.75%		28.12%	31.66%	30.75%		31.04%	31.66%	31.50%
FY26		38.50	6.25	44.75						32.68%	31.97%	32.11%		32.68%	31.97%	32.11%
FY27		40.00	9.00	49.00						32.81%	32.98%	32.95%		32.81%	32.98%	32.95%
FY28		20.75	30.50	51.25						30.80%	32.96%	32.85%		30.80%	32.96%	32.85%
FY29			49.00	49.00							33.00%	33.0%			33.00%	33.00%
FY30			48.50	48.50							33.00%	33.0%			33.00%	33.00%
FY31			51.00	51.00							33.00%	33.0%			33.00%	33.00%
FY32			53.50	53.50							33.00%	33.0%			33.00%	33.00%
FY33			56.75	56.75							33.00%	33.0%			33.00%	33.00%
FY34			58.50	58.50							33.00%	33.0%			33.00%	33.00%
FY35			29.25	29.25							33.00%	33.0%			33.00%	33.00%
Total	**100.00**	**250.00**	**410.00**	**760.00**												

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