



P.R. MEHRA & CO.
CHARTERED ACCOUNTANTS

31

Certificate on ICDR Ratios (Basis for Issue Price)

Dated: 12th November, 2024

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To,

The Board of Directors
NTPC Green Energy Limited
NTPC Bhawan, Core -7,
SCOPE Complex 7 Institutional Area,
Lodi Road, New Delhi,
Delhi, India, 110003

Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of NTPC Green Energy Limited (the "Company" and such offer, the "Issue")

Dear Sir/Madam,

We, P R Mehra & Co., Chartered Accountants, in connection with calculation of the basis for issue price of the Equity Shares in the Issue, have verified the following information with respect to the Company, extracted from the Restated Consolidated Financial Statements and other relevant records of the Company and certify as under:

1. EARNING PER SHARE ("EPS") (as adjusted for changes in capital, if any), calculated in accordance with the Indian Accounting Standard 33 issued by the Institute of Chartered Accountants of India:

Year/ Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)
September 30, 2024 @	0.30	0.30
September 30, 2023 @	0.44	0.44
March 31, 2024	0.73	0.73
March 31, 2023 [§]	4.66	4.66

@ Not annualised.

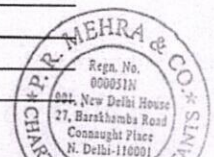
§ The restated consolidated financial information for Fiscal 2023 comprises result for 31 days from February 28, 2023, after transfer of 15 solar/wind renewable energy units (RE Assets) and entire equity shareholding in NREL from NTPC Limited to our Company.

Notes:

- 1) The figures disclosed above are based on the Restated Consolidated Financial Information.
- 2) Basic EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding during the fiscal year/period.
- 3) Diluted EPS (₹) = Profit after tax of the Company attributable to the equity shareholders / Weighted average no. of Equity Shares outstanding and equity shares that could have been issued upon conversion of all dilutive potential equity shares during the fiscal year/period.
- 4) Since the Company was incorporated April 7, 2022, Basic and Diluted EPS for FY 2023 and FY 2024 have been given.
- 5) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

2. RETURN ON NET WORTH ("RoNW"):

Fiscal	Return on Net Worth (%)*	Weight
Six-months period ended September 30, 2024 ^{(1)*}	2.14%	-
Six-months period ended September 30, 2023 ^{(1)*}	4.09%	-
2024 ⁽¹⁾	5.53%	3
2023 ⁽¹⁾⁽³⁾	3.50%	
2023 ⁽²⁾	9.34%	2
2022 ⁽²⁾	4.85%	1
Weighted Average	6.69%	



* Not annualised.

Notes:

- 1) The figures disclosed above are based on the Restated Consolidated Financial Information.
- 2) The figures disclosed above are based on the Special Purpose Carved-out Combined Financial Statements which are audited by other auditors.
- 3) The restated consolidated financial information for Fiscal 2023 comprises operating result for 31 days from February 28, 2023, after transfer of RE Asset on February 28, 2023 and entire equity shareholding in NREL from NTPC Limited to our Company. Hence, the figure for FY 2023 as per restated consolidated financial statements has not been considered for calculation of Weighted Average RoNW.
- 4) Return on Net Worth (RoNW) is calculated as profit for the period/year divided by Net Worth as at the end of the year/period.
- 5) Net worth means sum of equity share capital and other equity (including Owner's Net Investment as per special purpose carved out combined financial statements) and excluding non-controlling interest of relevant fiscal/period.
- 6) Weighted average = Aggregate of year-wise weighted return on Net Worth divided by the aggregate of weights i.e. $[(Return\ on\ Net\ Worth\ \times\ Weight)\ for\ each\ year] / [Total\ of\ weights]$

3. NET ASSET VALUE ("NAV") per Equity Share as per last balance sheet:

As at	NAV per Equity Share (in ₹)
As on September 30, 2024	10.92
As on September 30, 2023	10.80
As on March 31, 2024	10.90

Notes:

- 1) The figures disclosed above are based on the Restated Consolidated Financial Information.
- 2) Net Asset Value per Equity Share (in ₹) = Net Worth as restated / number of equity shares outstanding at the end of the period/year.
- 3) Net Worth means sum of equity share capital and other equity excluding non-controlling interest

As at	NAV per Equity Share (in ₹)
After the completion of the Issue:	
(i) At Floor Price	[●]**
(ii) At Cap Price	[●]**
Issue Price	[●]@

**To be computed after finalisation of the Price Band

@Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

4. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price Band (no. of times)
Based on basic EPS for Fiscal 2024	[●]	[●]
Based on diluted EPS for Fiscal 2024	[●]	[●]

5. Industry peer group P/E ratio:

Particulars	P/E Ratio	Name of the company	Face value of equity shares
Highest	259.83	Adani Green Energy Limited	(₹) 10
Lowest	47.05	ReNew Energy Global PLC	(\$ 0.0001
Average	153.44		

Source: BSE, Bloomberg



Notes:

- 1) The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed.
- 2) For Adani Green Energy Limited, (P/E) ratio has been computed based on the closing market price of equity shares on BSE Limited ("BSE") on November 04, 2024 divided by the diluted earnings per share for the year ended March 31, 2024.
- 3) For ReNew Energy, (P/E) ratio has been computed based on the closing market price value for closing price from the NASDAQ Stock Exchange, as of November 04, 2024. Foreign exchange rate of ₹ 84.105 per USD. (Source RBI reference rate).
- 4) All the financial information for listed industry peers mentioned above is taken as is sourced from the audited consolidated financial statements of the relevant companies for Fiscal 2024, as available on the websites of the stock exchanges.

6. Enterprise Value (EV)/ Operating EBITDA Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	EV/ Operating EBITDA at the Floor Price (number of times)	EV/ Operating EBITDA at the Cap Price (number of times)
Based on Operating EBITDA for Fiscal 2024	[●]	[●]

Notes:

- (1) For the Company, EV has been computed as product of number of outstanding shares as on date of RHP with the floor or cap price as applicable plus debt less cash and cash equivalents as on September 30th 2024.

7. Industry peer group EV/ Operating EBITDA Ratio

Particulars	Name of the Company	EV/ Operating EBITDA (number of times)
Highest	Adani Green Energy Limited	43.08
Lowest	ReNew Energy Global PLC	13.63
Average		28.36

Source: BSE, Bloomberg

Notes:

- (1) The industry composite has been calculated as the arithmetic average EV/ Operating EBITDA of the industry peer set disclosed.
 - (2) For the peers, EV sourced from Bloomberg Market data on the basis of closing price as on November 04, 2024.
 - (3) Operating EBITDA has been computed as profit before interest, taxes, depreciation and amortisation, other income and exceptional items for the financial year or during given period.
- All the financial information for computation of operating EBITDA of listed industry peers mentioned above is taken as is sourced from the audited consolidated financial statements of the relevant companies for Fiscal 2024, as available on the websites of the stock exchanges.

8. Comparison with listed industry peers

Name of the company	Face value (per share)	Closing price on November 04, 2024 (₹)	Revenue from Operations (in ₹ million)	EPS (₹)		Operating EBITDA (in ₹ million)	EV/ Operating EBITDA Ratio (x)	NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted					
NTPC Green	(₹)10.00	NA	19,625.98	0.73	0.73	17,464.70	[●]#	10.90	[●]#	5.53%



Name of the company	Face value (per share)	Closing price on November 04, 2024 (₹)	Revenue from Operations (in ₹ million)	EPS (₹)		Operating EBITDA (in ₹ million)	EV/ Operating EBITDA Ratio (x)	NAV (₹ per share)	P/E	RoNW (%)
				Basic	Diluted					
Energy Limited*										
PEER GROUP										
Adani Green Energy Limited**	(₹)10.00	1610.95	92,200	6.21	6.20	75,860	43.08	62.08	259.83	12.81%
ReNew Energy Global PLC**	(\$) 0.0001	466.78	81,948	9.94	9.92	58,648	13.63	290.15	47.05	3.94%

*The financial information for the Company is based on the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2024.

**The financial information for listed industry peers mentioned above is on a consolidated basis and is sourced by the Company from the financial statements of the respective company for the financial year ended March 31, 2024, submitted to the Stock Exchanges and the Nasdaq Stock Market LLC ("Nasdaq").

#To be included post finalization of the Issue Price.

Notes:

- (1) P/E ratio for the listed industry peers has been computed based on the closing market price of equity shares on BSE Limited ("BSE")/ Nasdaq as on November 04, 2024 divided by the diluted earnings per share for the year ended March 31, 2024. Foreign exchange rate of ₹ 84.105 per USD. (Source RBI reference rate).
- (2) For listed industry peers, EV source from Bloomberg market data on the basis of closing price as on November 04, 2024. EV/ Operating EBITDA ratio for the listed industry peers has been computed as EV source from Bloomberg market data on the basis of closing price as on November 04, 2024 divided by Operating EBITDA for the year ended March 31, 2024.
- (3) Operating EBITDA for listed industry peers the year ended March 31, 2024 has been computed as profit before interest, taxes, depreciation and amortisation, other income and exceptional items for the financial for the financial year or during given period.
- (4) RoNW (%) = Return on Net Worth (RoNW) is calculated as profit for the period/year divided by Net Worth as at the end of the year/period. Net Worth means sum of equity share capital and other equity excluding non-controlling interest.

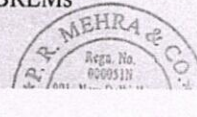
We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We also consent to the inclusion of this letter as a part of "Material Contracts and Documents for Inspection" in connection with this Issue, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Issue Closing Date. We further consent to include our reports/ certificates/ letters, in full or in parts, in the Issue Documents or such other documents to be issued by the Company in relation to the Issue.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

We have conducted our examination in accordance with the applicable guidance note issued by the ICAI which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI and accordingly, we confirm that we have complied with such Code of Ethics issued by the ICAI.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsel appointed by the Company and the Book Running Lead Managers in relation to the Issue and to assist the BRLMs



in conducting and documenting their investigation of the affairs of the Company in connection with the Issue. We hereby consent to extracts of, or reference to, this certificate being used in the Issue Documents. We also consent to the submission of this certificate as may be necessary to any regulatory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Issue and in accordance with applicable law.

We confirm that on receipt of any communication from Company of any changes in the information, we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Issue commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisors, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

Yours faithfully

**For P R Mehra & Co
Chartered Accountants
Firm Registration Number: 000051N**

LAXMAN
PRASAD
SHARMA

Digitally signed by LAXMAN PRASAD
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DN: cn=LAXMAN PRASAD
SHARMA, o=Pr
serialNumber=74c281ad0204510c
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Date: 2024.11.12 15:28:07 +05'30'

**Laxman Prasad
Partner
Membership No.: 013910
Place: New Delhi
UDIN: 24013910 BKFA CV 6384**



CC:

Book Running Lead Managers:

IDBI Capital Markets & Securities Limited

6th Floor, IDBI Tower,
WTC Complex,
Cuffe Parade, Mumbai – 400 005
Maharashtra, India

HDFC Bank Limited

Investment Banking Group
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One International Centre, Senapati Bapat Marg,
Prabhadevi, Mumbai – 400013,
Maharashtra, India

IIFL Securities Limited

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Lower Parel (W)
Mumbai 400 013
Maharashtra, India

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)

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Legal Counsels:

Legal Counsel to the Company as to Indian Law

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Legal Counsel to the Book Running Lead Managers as to Indian Law

Trilegal

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