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Cash and cash equivalents include all cash balances and the bank deposits with original maturity periods of three months or less.

Restricted cash

Restricted cash consists of cash on balance in banks and financial institutions that are restricted from use in operations pursuant to requirements of certain debt agreements. These funds are used to pay for current operating expenses and current debt service requirements in accordance with the restrictions in the debt agreements.

Accounts receivable

Accounts receivable are reported on the combined balance sheets at the invoiced amounts adjusted for any write-offs and an allowance for doubtful accounts. We establish an allowance for doubtful accounts to adjust our receivables to amounts considered to be ultimately collectible. Our allowance is based on a variety of factors, including the length of time receivables are past due, significant one-time events, the financial health of our customers and historical experience. There was no allowance for doubtful accounts as of December 31, 2014 and 2013. Unbilled receivables included in account receivables were INR 36,860,640 and INR 37,918,672 as of December 31, 2014 and 2013 respectively.

Property and equipment

Property and equipment consists of wind energy systems and construction in progress and is stated at cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance and repairs are charged to expense as incurred. When property and equipment is retired, or otherwise disposed of, the cost and accumulated depreciation is removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation of property and equipment is recognized using the straight-line method over the estimated useful lives of the wind energy systems, which is the lesser of twenty five years or the term of the underlying non-renewable real property lease to which the assets are affixed. The useful lives of property and equipment are as under:

	Useful Lives
Wind Energy Systems	25 years
Other equipment	6 years
Computers and Computer Software	6 years
Office equipment	15 years

Capitalized interest

Interest incurred on funds borrowed to finance construction of wind energy systems is capitalized until the system is ready for its intended use. There was no interest capitalized during the years ended December 31, 2014 and 2013, respectively.

Deferred financing costs

Financing costs incurred in connection with obtaining construction and term financing are deferred and amortized using the straight-line method over the period in which the term financing is expected to be outstanding. Amortization of deferred financing costs related to the term loans is recorded as interest expense in the combined statements of income.

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