

PETITION NO...../GT/2026

**PETITION FOR DETERMINATION OF
TARIFF OF SUBANSIRI LOWER HYDRO
ELECTRIC PROJECT (2000 MW) FOR THE
PERIOD 23.12.2025 TO 31.03.2029.**

एन एच पी सी लिमिटेड
(भारत सरकार का एक नवरत्न उद्यम)
NHPC Limited
(A Government of India Navratna Enterprise)



Commercial Division

**NHPC Office Complex,
Sector33, Faridabad (Haryana)-121 003**

Volume-XI



Certificate No. E0272023A1019



Stamp Duty Paid : ₹ 200

(Rs. Only)

GRN No. 98689822



Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Nhpclimited

H.No/Floor : 4

Sector/Ward : 33

LandMark : Nhpc office complex

City/Village : Faridabad

District : Faridabad

State : Haryana

Phone: 99*****55

**Buyer / Second Party Detail**

Name: Statebank Ofindia

H.No/Floor : 5

Sector/Ward : 0

LandMark : Parsvnath capital towers

City/Village: Gole market

District : Delhi

State : Delhi

Phone : 95*****82

Purpose : FACILITY AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>THIS NON JUDICIAL STAMP PAPER
FOR THE PART OF
FACILITY AGREEMENTEXECUTED BY **NHPC LTD**ON **27-01-2023**

कृते भारतीय स्टेट बैंक / For State Bank of India

सं.म.प्र. एवं सम्बन्ध प्रबन्धक, ए.एम.टी.-1
AGM & Relationship Manager, AMT-1

कॉर्पोरेट लेखा समूह शाखा, नई दिल्ली / CAG Branch, New Delhi-1

FACILITY AGREEMENT

BETWEEN

NHPC LIMITED

As Company

AND

State Bank of India

As Investor/Lender/Bank



FACILITY AGREEMENT

THIS FACILITY AGREEMENT ("Agreement") is made at Faridabad, Haryana on this 27th day of January 2023 ("Execution Date") by and between:

NHPC LIMITED, a public limited company incorporated and registered under the Companies Act 1956 and an existing company within Companies Act, 2013, having its corporate identification number L40101HR1975GOI032564 with its registered office at NHPC office complex, Sector 33 Faridabad, Haryana-121003 (hereinafter referred to as **the "Company/Borrower"**, which expression shall unless it be repugnant to the context or meaning thereof, includes its successors and permitted assigns) of the FIRST PART;

AND

STATE BANK OF INDIA, a body corporate constituted under the State Bank of India Act, 1955, with its Corporate Centre at State Bank Bhavan, Nariman Point, Mumbai 400 021 and acting through its Corporate Accounts Group Branch at 5th Floor, Parsvnath Capital Towers, Bhai Vir Singh Marg, Gole Market, New Delhi-110001 (hereinafter referred to as **the "Investor/Lender/Bank"**, which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean include its successors, transferees, novatees and assigns, as the context may require or admit)

The Company and the Investor/Lender/Bank shall individually be referred to as "Party" and collectively as "Parties" under this Agreement. WHEREAS

A. The Company is a hydropower company in India and engaged in designing constructing and operating hydropower plants including URI-I Power Station set up on river Jhelum in Baramulla district of Jammu and Kashmir (the "PowerStation").

B. The Company has approached the Investor/Lender/Bank for securitization of its Free Cash from the Power Station, and the Investor/Lender/Bank has agreed to make available to the Company the facility of an aggregate principal amount not exceeding Rs. 1876,37,00,000/- (Rupees One Thousand Eight Hundred Seventy Six Crores Thirty Seven Lakhs Only) (the "Facility") for the Purpose (defined hereinafter).

C. Based on the representations and assurances of the Company, the Investor/Lender/Bank has agreed to provide the Facility to the Company and the Company has agreed to avail the Facility from the Investor/Lender/Bank on the terms and subject to the conditions contained in this Agreement and the other Facility Documents.

NOW THEREFORE, in consideration of the premises and mutual agreements and covenants contained in the Agreement and other good and valuable consideration (the receipt and adequacy of which is hereby mutually acknowledged), each of the Parties hereby agree as follows-

Page 1 of 34



1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

In addition to the terms defined in (i) the recitals to the Agreement; (ii) elsewhere in the Agreement, the capitalized terms shall have the meanings set forth in Schedule III hereto.

2. THE FACILITY

2.1 Facility

Subject to the terms and conditions of the Agreement and upon issuance of a duly completed Drawdown Notice in the manner set out in clause 4 of the Agreement, Investor/Lender/Bank agrees to make available to the Company, the Facility in accordance with the terms of the Agreement and as contained in the Sanction Letter.

2.2 Purpose

2.2.1 The Company hereby undertakes that the Facility shall be utilized, by the Company towards its future capex requirements.

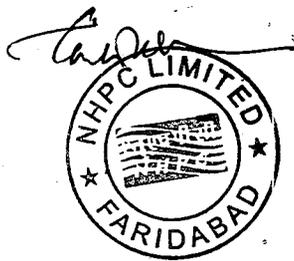
2.2.2 The Company agrees to furnish a certificate from its auditors regarding the utilization of funds disbursed and such certificate shall be furnished to the Investor/Lender/Bank within sixty (60) Business Days of Disbursement of the Facility.

2.3 Availability

The Facility shall be available for Disbursement on the Drawdown Date set out in a Drawdown Notice, provided that Disbursement of the Facility will not occur after 31.03.2023.

2.4 Security

- (i) The Secured Obligations shall be secured by the below mentioned security created / to be created in favour of the Investor/Lender/Bank, in the form and manner acceptable to the Investor/Lender/Bank:
 - (a) a first charge by way of hypothecation over the Escrow Account of the Company, established/to be established in accordance with the Escrow Account Agreement ("Account Security"); and
 - (b) First Pari-Passu charge on fixed assets (both present and future) by way of hypothecation ("Fixed Asset Security") to the extent of 1.0 time of the sanctioned amount.
- (ii) The Security stipulated in Article 2.4 (i) shall be created and perfected within 90 days from the date of documents.
- (iii) The Company shall forthwith, and in no event later than 30 (thirty) days from the date of execution of the relevant Security Document(s) or shorter period, if any, provided under the Applicable Laws, file particulars of the charges created under the Security Document with the relevant Registrar of Companies by filling Form CHG-1 and paying such fees as may be prescribed.



- (iv) The Company shall promptly provide evidence of perfection of charge over the Security, including certified true copies of CHG 1, along with annexures, challan, charge certificate, etc. in favour of the Investor/Lender/Bank and all details in relation to registration of the charge in favour of the Investor/Lender/Bank.
- (v) The Company shall take all necessary actions and provide necessary assistance to the Investor/Lender/Bank for filing/registration of the Security Document and the charge created thereunder with Central Registry of Securitization Asset Reconstruction and Security Interest of India, forthwith upon execution of the Security Document and in any event not later than 10 (ten) business days from the execution of such Security Document.

3. CONDITIONS PRECEDENT

3.1 Conditions Precedent to the Facility

Notwithstanding any other provision hereof, the Investor/Lender/Bank shall not be obligated to make a Disbursement of the Facility, pursuant to a Drawdown Notice, unless the Company has satisfied the Conditions Precedent as set out in Schedule IV hereto or waived by the Investor/Lender/Bank in its sole discretion and no Event of Default has occurred. The satisfaction of any Condition Precedent in this clause by the Company may be waived by the Investor/Lender/Bank, in writing, at its sole discretion, following a written request from the Company setting out (a) the Condition(s) Precedent in respect of which Company seeks a waiver, and (b) the reasons for seeking such waiver.

4. DRAWDOWN

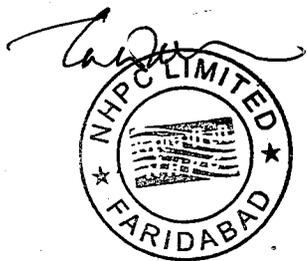
The Facility shall be drawn by the Company in a single tranche/multiple tranche as agreed by the Investor/Lender/Bank, by providing a 7 (seven) working days' notice in the form set out in Schedule V ("Drawdown Notice") after the satisfaction or waiver of all the Conditions Precedent, as the case maybe.

5. REPAYMENT OF FACILITY, INTEREST PAYMENTS

5.1.1 The outstanding principal of the Facility shall be repaid in structured instalments, in accordance with the Amortization Schedule set forth in Schedule VII hereto out of the Fixed Component Payment (defined hereinafter) payable by the Company on monthly basis. It is clarified that the first Fixed Component Payment shall be payable on the First Fixed Component Payment Date. Subsequent payments of the Fixed Component Payment shall be made on Subsequent Fixed Component Payment Date(s).

5.1.2 Interest

- (a) The Interest shall be Effective Discount Rate, to be paid, on monthly basis on every Interest Payment Date(s), out of the Fixed Component Payment payable by the Company on monthly basis.



- (b) Interest for the break period in the month of Disbursement shall be payable at the Effective Discount Rate, by depositing the required amount in the Escrow Account, 2(two) days prior to the Interest Payment Date. It is clarified that in case the Disbursement takes place on the first day of the month, Interest shall be payable out of the Fixed Component Payment to be deposited by the Company 2(two) days prior to the Interest Payment Date in the Escrow Account.
- (c) The Benchmark Rate shall reset after every three months. First reset shall take place on 1st April 2023 (termed as "First Reset Date") and subsequently every three months thereafter i.e. 1st July, 1st October and 1st January of year.

5.1.3 The Company shall also make the Variable Component Payment on the First Variable Component Payment Date and thereafter on every Subsequent Variable Component Payment Date.

5.1.4 The Company shall be liable to make Additional Payment (defined hereinafter) at such intervals, as may be required, as per the terms of this Agreement.

5.1.5 Liquidated Damages on Defaulted Amounts

(a) In case of default in crediting/paying the Fixed Component Payment, Variable Component Payment and Additional Payment on their respective Due Dates, except Liquidated Damages (the "Defaulted Amounts") the Company shall pay to the Investor/Lender/Bank, liquidated damages / Penal charges at the rate of 2% (Two Percent) per annum, plus applicable Taxes (the "Default Interest Rate") on the Defaulted Amounts ("Liquidated Damages") for the period of such default in addition to the interest for the default period at the applicable discount rate. The Liquidated Damages shall be payable on demand and in the absence of any such demand on the next Due Date occurring after the date of default.

(b) Liquidated Damages shall be payable for the period commencing from the date of such default as set out in paragraph (a) above till the time such default continues and is not remedied to the satisfaction of the Investor/Lender/Bank.

(c) The Company acknowledges that Liquidated Damages under this Agreement, are reasonable and represent a genuine pre-estimate of the loss likely to be suffered and incurred by the Investor/Lender/Bank.

6. REPRESENTATIONS AND WARRANTIES

6.1 By executing the Agreement, the Company makes the Company's Representations and Warranties to the Investor/Lender/Bank.

6.2 The Company's Representations and Warranties are deemed to be made by the Company on and by reference to the facts and circumstances then existing on (i) the Execution Date and (ii) each Drawdown Date.



7. COVENANTS

During the currency of the Facility, the Company agrees to abide by and ensure continued compliance with the covenants as more particularly laid down in Schedule VI of this Agreement and Sanction Letter.

8. ASSIGNMENT

The Investor/Lender/Bank reserves the right to assign its rights and obligations herein in favor of a new Investor/Lender/Bank, provided that such new Investor/Lender/Bank was identified as an eligible Investor/Lender/Bank in terms of the Bid Documents. The Company is not entitled to assign any of its respective rights or obligations under any of the Facility Documents, without the consent of the Investor/Lender/Bank.

9. TERMS AND CONDITIONS OF TERMINATION

9.1 Term

This Agreement shall come into force from the Execution Date and the Agreement shall continue to be in force unless terminated in accordance with the provisions of clause 9.3 below or upon repayment of the Facility in accordance with the provisions contained in clause 5 hereof.

9.2 Events of Default

The occurrence and/ or continuance of any one or more of the following events shall constitute a default under the Agreement (each such event being herein referred to as an "Event of Default") -

9.2.1 If the Company fails to credit Fixed Component Payment, Variable Component Payment and Additional Payment into the Escrow Account on Due Dates.

9.2.2 Any final execution or distress order being enforced or levied against the Power Station and any order relating thereto is not discharged or stayed within thirty (30) Business Days from the date of enforcement or levy.

9.2.3 A receiver or liquidator being appointed in respect of the Power Station and such appointment is not stayed, quashed, or dismissed within thirty (30) Business Days of the appointment.

9.2.4 Any event or circumstance has occurred which is materially prejudicial to or imperils or depreciates the Security or the charge created by the Security Document cease to be valid under the Applicable Laws.

9.2.5 Any corporate action or other steps taken for its winding up, dissolution, administration or reorganization, or appointment of administrative receiver, trustee or similar officer or all of its revenues and assets or legal proceedings including proceedings for winding up etc.

9.2.6 Upon occurrence of any materially adverse change, ceases or threatens to cease its



operations where there is material adverse effect in the business.

- 9.2.7 Failing to perform and observe any obligations under monetization facility / term loan agreement.
- 9.2.8 Incorrect Representation.
- 9.2.9 Breach of Financial Covenants.
- 9.2.10 Breach/non-creation of Security documents, within stipulated timeframe unless extended with mutual consent with the Bank.

9.3 Termination in case of occurrence and continuance of any of the events described above or in Clause 9.2 of this Agreement, then in such event, the Investor/Lender/Bank may, by notice in writing to the Company, terminate the right of the Company to make withdrawals. Upon such notice, the undrawn amount of the Facility shall stand cancelled.

10 CUMULATIVE RIGHTS

10.1 For greater certainty, it is expressly understood and agreed that the rights and remedies of the Investor/Lender/Bank under the Agreement, the other Facility Documents or under any document or instrument executed pursuant hereto or thereto, are cumulative and are in addition to and not in substitution of the Investor/Lender/Bank's rights or remedies provided by Applicable Law or by equity and any single or partial exercise by the Investor/Lender/Bank of any right or remedy for a default or breach of any term or condition contained in the Agreement, the other Facility Documents or any other document or instrument executed pursuant hereto or thereto, shall not be deemed to be a waiver of or to alter, affect or prejudice the right or remedy or other rights or remedies to which the Investor/Lender/Bank may be lawfully entitled for such default or breach. Any waiver by the Investor/Lender/Bank of the strict observance, performance or compliance with any term or condition herein contained and any indulgence granted either expressly or by course of conduct of the Investor/Lender/Bank shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Investor/Lender/Bank under the Agreement, the other Facility Documents or any document or instrument executed pursuant hereto or thereto, as a result of any other default or breach hereunder or thereunder.

10.2 Consequences of Default

Upon and at any time after the occurrence of an Event of Default, the Investor/Lender/Bank may-

- (i) by written notice to the Company, demand that all or part of the entire outstanding amount under the Facility and all other amounts payable under the Facility Documents be immediately due and payable; and/ or
- (ii) enforce its rights under the Facility Documents in the manner provided therein and in Applicable Law; and/or

Page 6 of 34



(iii) issue a notice to the Escrow Bank to draw on any margins and balances in the Escrow Account / instruct the Escrow Bank to ensure that no withdrawals/transfers take place from the Escrow Account.

(iv) If NHPC makes default in payment of the said Dues or any part thereof, the Investor/Lender/Bank would be at liberty (but not bound to do so) to appoint its nominee as Receiver without having resort to a Court of Law and/or to a proceeding in Court, to take possession of the properties of NHPC held/to be held by the Investor/Lender/Bank as security for the Loan hereunder or under any other security document(s) executed /to be executed by NHPC in favour of the Bank.

11 INDEMNITY

(a) The company undertakes (without limiting any other remedy of the Investor/Lender/Bank under the Facility Documents or in any other way, including their right to damages in respect of a claim for breach of any of the representations or warranties on any other basis) to defend, indemnify and hold harmless the Investor/Lender/Bank and their respective officers, directors, employees, affiliates, advisors, agents and controlling Persons (each, an "Indemnified Party") from and against any and all losses, claims, liabilities, damages and expenses, joint or several relating to the transactions in the Facility Documents, the occurrence Event of Default and/or any other Indemnified Party acting on their behalf.

(b) Indemnity for communication through facsimile or email

(i) The Borrower hereby requests and authorizes the Investor/Lender/Bank to, from time to time (at its discretion), rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the other Finance Documents by way of facsimile or email by the Borrower or any of its authorized officers.

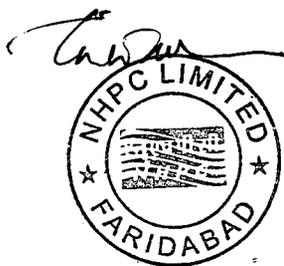
(ii) The Borrower acknowledges that:

(A) sending information by facsimile or email is not a secure means of sending information and is aware of the risks, involved in sending facsimile or email instructions, including the risk that facsimile or email instructions may:

1. be fraudulently or mistakenly written, altered or sent; and
2. not be received in whole or in part by the intended recipient.

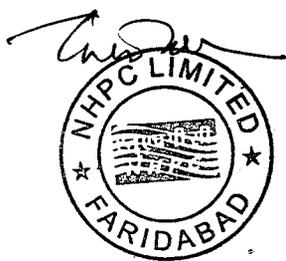
(B) the request to the Investor/Lender/Bank to accept and act on facsimile or email instructions is for the convenience and benefit of the Borrower only.

(iii) The Borrower further declares and confirms that it is aware that the Investor/Lender/Bank have agreed to act on the basis of instructions given by facsimile or email only by reason of, and relying upon the Borrower providing this



indemnity and agreeing, confirming, declaring and indemnifying the Investor/Lender/Bank hereunder and that the Investor/Lender/Bank would not have done so in the absence of such indemnity. The provisions of this Clause 11 (b) shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Finance Documents.

- (iv) The Investor/Lender/Bank may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Investor/Lender/Bank may from time to time specify and the Borrower shall be responsible for any improper use of such code or test.
 - (v) Notwithstanding anything contained herein or elsewhere, the Investor/Lender/Bank shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any facsimile or email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Borrower and the Investor/Lender/Bank shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
 - (vi) In consideration of the Investor/Lender/Bank acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Borrower hereby agrees to indemnify the Investor/Lender/Bank and keep the Investor/Lender/Bank at all times indemnified from and against all direct actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in direct consequence of or in any way related to the Investor/Lender/Bank having acted or omitted to act in accordance with or pursuant to any instruction received by facsimile or email except to the extent that such loss is caused by Investor/Lender/Bank's gross negligence, fraud or wilful misconduct, as finally determined by a court of competent jurisdiction.
 - (vii) Upon receipt by the Investor/Lender/Bank, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the Borrower or by any of its authorized officer) shall be deemed (if the Investor/Lender/Bank chose to act upon the same) to conclusively constitute the mandate of the Borrower, to the Investor/Lender/Bank to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Borrower or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.
 - (viii) The Investor/Lender/Bank shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of facsimile or email or to ensure the continued operations or availability of any such equipment/ technology
- c) The Borrower hereby indemnifies and agrees to keep the Secured Parties and their respective Affiliates, directors, officers, employees, representatives and agents indemnified against any direct losses or damages whether by way of costs charges expenses litigation penalty or howsoever sustained or incurred by them as a result of, or in connection with, or arising out of - (i) failure for any reason on the part of the Borrower in complying with any



of the provisions of any of the Finance Documents and/or the Applicable Law; and/or (ii) the occurrence of any Events of Default; and/or (iii) levy by any Government Authority of any tax in connection with regularizing or perfecting any of the Finance Documents as may be required under the Applicable Law; and/or (iv) getting any of the Finance Documents admitted into evidence; and/or (v) relying on any of the Finance Documents for proving any claim; and/or (vi) any fraud detected in or in respect of any loan or any other financial assistance granted or to be granted to a Group Company of the Borrower or in respect of any security offered or documents executed in respect of such loan or other financial assistance; and/or (vii) the exercise of any of the rights by the Lender under any Finance Document, except to the extent that any such losses or damages are solely attributable to any negligent act or omission, breach of this Agreement or breach of statutory duty on the part of Lender.

The amounts payable by the Borrower under this Clause 11(c) shall form part of the Secured Obligations and shall be secured by the Security created in favour of the of the Lender.

12 TAXES: REPORTING REQUIREMENTS

12.1 Tax gross up and Indemnities

12.1.1 Tax gross-up

(i) All payments to be made by the Company to the Investor/Lender/Bank under the Facility Documents shall be made free and clear and without any deduction or withholding for or on account of Tax, save and except for any tax on income of the Investor/Lender/Bank ("Tax Deduction") unless the Company is required to make a Tax Deduction Applicable Law, in such case the sum payable by the Company (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Investor/Lender/Bank receives a sum net of any deduction withholding equal to the sum which it would have received had no such Deduction been made or required to be made;

(ii) If the Company is required to make a Tax Deduction, the Company shall make Tax Deduction and make any payment required in connection with that Deduction within the time allowed and in the minimum amount required Applicable Law; and

(iii) Within thirty (30) days after the due date of payment of any Tax or other amount which it is required to pay, the Company shall deliver to the Investor/Lender/Bank evidence such deduction, withholding or payment and of the remittance thereof to relevant taxing or other authority.

12.1.2 Tax indemnity

If the Investor/Lender/Bank is required to make any payment on account of Tax other than income payable by the Investor/Lender/Bank or in relation to any sum received or receivable under any Facility Document or if any liability in respect of any such payment is asserted, imposed, levied assessed against the Investor/Lender/Bank, Company shall, within three (3) calendar days of demand the Investor/Lender/Bank, promptly pay the Investor/Lender/Bank the full amount of such payment or liability together with any interest, penalties, costs and



expenses payable or incurred in connection therewith, provided that this clause 12.1.2 shall not apply to any Tax imposed on calculated by reference to the net income actually received or receivable by the Investor/Lender/Bank.

13 GOVERNING LAW AND DISPUTE RESOLUTION

- (a) The Borrower agrees that the courts and tribunals at New Delhi shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with this Agreement may be brought in such courts or the tribunals.
- (b) Nothing contained herein shall limit the right of the Secured Parties to initiate any Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

14 MISCELLANEOUS

14.1 Further Assurances

Each Party shall co-operate with the other Party, execute and deliver to the other Party such instruments and documents and take such other actions as may be reasonably requested from time to time in order to carry out, evidence and confirm their rights and the intended purpose of the Agreement.

14.2 Notices

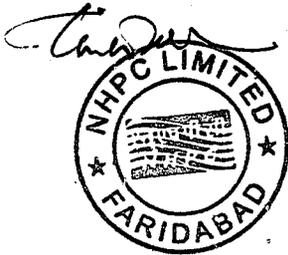
All notices, requests, consents, demands or other communication required or permitted to be given under the Agreement and the provisions contained herein shall be written in English and shall be sent by registered post, postage prepaid, or transmitted by facsimile transmission or couriered to the other Party at the address indicated below-

In the case of notices to the Company, to:

Address : NHPC Limited
Attention : General Manager (Finance)
Phone Number: (0129) 2270603
Facsimile :
E-mail : nhpcbondsection@nhpc.nic.in; gurudutt@nhpc.nic.in

In the case of notices to the Investor/Lender/Bank, to:

Address : Corporate Accounts Group (CAG) Branch, 5th Floor, Parsvnath Capital Towers, Bhai Vir Singh Marg, Gole Market, New Delhi-110001
Attention : AGM & Relationship Manager (AMT-1)
Phone Number: (011) 23475551
Facsimile :
E-mail : amt1.cagdel@sbi.co.in



or at such other address as the Party to whom such notices, requests, demands or other communication is to be given shall have last notified the Party giving the same in the manner provided in this clause, but no such change of address shall be deemed to have been given until it is delivered or deemed to be delivered in accordance with this clause 14.2.

Any notice, request, demand or other communication delivered to the Party to whom it is addressed as provided in this clause 14.2 shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if-

- (i) sent by mail, five (5) calendar days after posting it;
- (ii) sent by courier, when received at the Party's physical address; and
- (iii) sent by facsimile, when confirmation of its transmission has been recorded by the sender's facsimile machine.

If sent by e-mail, when it is sent provided the sender does not receive an "undeliverable" message (if sent during business hours) or (if not sent during business hours) at the beginning of business hours next following the time of sending of the e-mail.

14.3 Waivers and Acknowledgements

The Company hereby waives any right to terminate or revoke the Agreement until the Facility and interest thereon, fees, costs, charges and all other amounts owed by and all other present and future obligations and liabilities under or in respect of the Facility Documents have been fully paid to the Investor/Lender/Bank.

14.4 Severability

If, at any time, any provision of the Agreement is or becomes illegal, invalid or unenforceable in any respect, neither the legality, validity or enforceability of the remaining provisions will in any way be affected or impaired.

14.5 Amendments

No modification, alteration or amendment of the Agreement or any of its terms or provisions shall be valid or legally binding on the Parties unless made in writing and duly executed by or on behalf of the Parties.

14.6 Entire Agreement

The Agreement along with other Facility Documents constitute and represent the entire Agreement between the Parties with regard to the rights and obligations of each of the Parties and supersedes all prior arrangements, agreements or understandings, if any, whether oral or in writing, between the Parties on the Facility hereof or in respect of matters dealt with herein.

14.7 Disclosure

The Borrower also agrees, undertakes and confirms as under:



- (a) The Borrower understands that as a precondition relating to the grant of and/or continuing the grant of the Facilities to the Borrower, the Lender requires the Borrower's consent for the disclosure by the Lender of, information and data relating to the Borrower, of the Facilities availed of/to be availed by the Borrower, in discharge thereof.
- (b) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by Lender of all or any such:
- (A) information and data relating to the Borrower;
 - (B) the information of data relating to the Facilities/Finance Documents; and
 - (C) default, if any, committed by the Borrower, in discharge of the Borrower's obligations under the Facilities,

as the Lender may deem appropriate and necessary, to disclose and furnish to Credit Information Companies ("CIC") and any other agency authorized in this behalf by Reserve Bank of India ("RBI") and/or to Information Utilities or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).

- (c) The Borrower declares that the information and data furnished by the Borrower to the Lender are true and correct.
- (d) The Borrower also undertakes that:
- (A) Any CIC and any other agency so authorized may use, process the said information and data disclosed by the Lender in the manner as deemed fit by them; and
 - (B) Any CIC and any other agency so authorized may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/financial institution(s) and other credit grantors or registered users, as may be specified by the RBI in this behalf.
- (e) The Borrower agrees, undertakes and authorizes the Lender to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause 14.7 and also the information relating to the conduct of the Borrower's accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Lender may deem necessary or appropriate as may be required for use or processing of the said information / data by such banks/ financial institutions or furnishing of the processed information / data to other banks / financial institutions / credit providers and the Borrower shall not hold the Lender liable in any manner for use of such information.

The Borrower agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facilities, the Lender and/or RBI shall have an unqualified right



to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters, in such manner and through such medium as the Lender or RBI in their absolute discretion may think fit.

14.8 FEES, CHARGES, COMMISSION, COSTS AND CLAIMS

14.8.1 The Borrower, shall bear all costs/charges/fees/expenses, including tax, if any, as may be mentioned in the Sanction Letter, which the Borrower agrees to reimburse to the Lender separately within 7 (seven) days of demand by the Lender.

14.8.2 Without prejudice to the provisions of Clause 14.8.1 above, the Borrower shall forthwith pay or cause to be paid, all present and future imposts, costs, duties, taxes levies, fees, insurance premia and other charges and expenses (including any penalty thereon, if applicable), as may be levied or imposed from time to time by any governmental or statutory authorities or payable otherwise, pertaining to or in connection with the Facilities, the Finance Documents. In the event the Borrower fails to pay the monies referred to in this sub-Clause, the Lender shall be at liberty (but shall not be obliged) to pay the same on behalf of the Borrower and the Borrower shall forthwith reimburse the same together with interest at the Default Interest Rate.

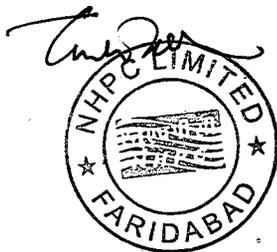
14.8.3 The Lender shall be entitled to debit all amounts due and payable by the Borrower under this Agreement to the Borrower's Facilities Accounts maintained with the Lender, unless separately reimbursed to the Lender by the Borrower. Without prejudice to the generality of the foregoing, the Lender shall be entitled to auto recover the processing charges and other charges/fees/expenses from the Facilities Accounts, if any, or otherwise, on the relevant due date(s).

14.9 Appropriation

(a) Any amounts due and payable by the Borrower under this Agreement shall be appropriated by Lender towards such dues in the following order viz.,

- (i) interest on fees, costs, charges, expenses and other monies;
- (ii) costs, charges, fees, expenses and other monies;
- (iii) Default Interest, Additional Interest, Penal Interest and liquidated damages, if any;
- (iv) interest/ commission; and
- (v) principal amount of the Facilities.

(b) Notwithstanding anything contained in Clause (a) above, the Lender may, in their absolute discretion, appropriate in any manner, such payment towards the dues, if any, payable by the Borrower in respect of any Finance Document.



IN WITNESS WHEREOF, each of the Parties has caused the Agreement to be duly executed by its duly authorized representatives on the date and year first above written:

THE COMMON SEAL OF the within named Principal, **NHPC LIMITED** has pursuant to the Resolutions of its Board of Directors passed in that behalf on 10.08.2022 hereunto been affixed in the presence of Director/s and the Company Secretary who have in token thereof, subscribed their signature hereto.


गुरु दत्त /Guru Dutt
महाप्रबन्धक (वित्त) / G.M. (Finance)
एन एच पी सी लिमिटेड/NHPC Limited
(भारत सरकार का उद्यम/A Govt. of India Enterprises)
सेक्टर-33, फरीदाबाद/Sector-33, Faridabad

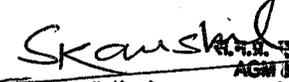

आर. पी. गोयल / R. P. GOYAL
निदेशक (वित्त) / Director (Finance)
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम/A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad

SIGNED AND DELIVERED BY, **Shri Guru Dutt, General Manager (Finance)** and authorized representative of NHPC LIMITED pursuant to the resolution of its Board passed in that behalf on 10.08.2022.


बिश्वजीत बासु / BISWAJIT BASU
निदेशक (परियोजनाएं) / Director (Projects)
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम/A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad

SIGNED AND DELIVERED BY within named the State Bank of India, by the hand of its authorized representative **रुपा देब / For State Bank of India**

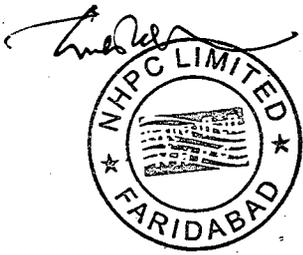

रुपा देब / RUPA DEB
कम्पनी सचिव / Company Secretary
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम/A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad


श.म.प्र. एवं सम्बन्ध प्रबन्धक, ए.एम.टी.-1
AGM & Relationship Manager, AMT-1
नाम : Sushil Kumar Kaushik
Designation : AGM & Relationship Manager (AMT-1)

SCHEDULE I

PARTICULARS OF THE FACILITY

Name of the Investor/Lender/Bank (1)	Amount of facility (in Rupees Crore) (2)
State Bank of India	1876.37
Total	1876.37



SCHEDULE II

Investor/Lender/Bank's Sanction Letter
(Annexed as Annexure to this Agreement)



SCHEDULE III

DEFINITIONS AND INTERPRETATION

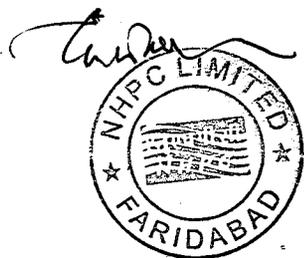
"Abandonment"	shall mean withdrawing or giving up of the Power Station by the Company and shall include cessation or suspension of performance of obligations by the Company in respect of the whole or any part of the Power Station. The term "Abandon" shall be construed accordingly.
"Act"	shall mean the Companies Act, 2013, along with all applicable rules and regulations framed in connection therewith, as amended from time to time.
"Additional Payment"	shall mean the additional amount payable by the Company per month, over and above the Fixed Component Payment and Variable Component Payment, in case the Effective Discount Rate is higher than the Quoted Discount Rate. Provided that in case the Effective Discount Rate is lower than the Quoted Discount Rate, the balance remaining in the Escrow Account out of Fixed Component Payment after remittance of the principal and Interest for the said month calculated on the Effective Discount Rate, shall be remitted back to the Company.
"Amortization Schedule"	shall mean the schedule of repayment of the Disbursed Facility as set forth in Schedule VII.
"Applicable Laws"	shall mean the laws of Republic of India.
"Auditor Certificate"	shall mean the certificate to be issued by the statutory auditors of the Company certifying the income booked in the previous 12-month period from the sale of secondary energy units from the Power Station.
"Benchmark Rate"	shall mean the: 3-M MCLR of the Bank at present and as modified from time to time.
"Bid Documents"	Means the bid documents issued by Company in relation to the Facility.
"Business Day"	shall mean: (a) in relation to the making of any Disbursement or cancellation of Facility, by a Investor/Lender/Bank, any day on which such Investor/Lender/Bank is required or authorized by law to be open for business in the place of its lending office/branch; or (b) in relation to all other matters, a day (other than a Saturday, Sunday or a bank holiday) on which banks are normally open for business in Delhi.



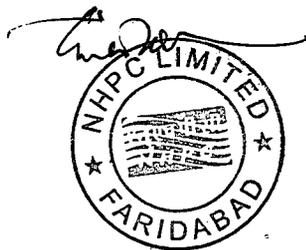
"Company representations and warranties"	means and refers to the representations and warranties as set out in Schedule VIII;
"Condition(s) Precedent"	means the conditions precedent specified in clause 3.1 which are required to be satisfied by the Company;
"Disbursement"	means the lending and release of Facility by the Investor/Lender/Bank to the Company on the Drawdown Date(s), in accordance with the terms and condition contained in the Agreement;
"Disbursed Facility"	shall mean aggregate of all Disbursements from time to time.
"Drawdown Date"	means the Business Day on which the Disbursement of Facility shall take place following receipt by the Investor/Lender/Bank of a Drawdown Notice;
"Due Date"	shall mean and refer the following: (i) for repayment of the Fixed Component Payment - the First Fixed Component Payment Date or the Subsequent Fixed Component Payment Date, as the case may be; (ii) for payment towards the Variable Component Payment - the First Variable Component Payment Date or the Subsequent Variable Component Payment Date, as the case may be; and (iii) for payment of Additional Payment - the last day of the calendar month in which Effective Discount Rate is changed, and if such day is not a Business Day, the Business Day immediately preceding such day.
"Effective Discount Rate"	shall mean at any relevant time, the Benchmark Rate plus the Spread.
"Escrow Account"	shall have the meaning specified in the Escrow Account Agreement.
"Escrow Account Agreement"	shall mean the escrow account agreement entered into or to be entered into between the Company, the Investor/Lender/Bank and the Escrow Bank.
"Escrow Bank"	shall have the meaning specified to it in the Escrow Account Agreement.
"Event of Default"	means any event specified as being an event of default under clause 9.2.
"Financial Year"	shall mean the accounting period commencing from April 1st of each year till March 31st of next year.



"First Fixed Component Payment Date"	shall mean the last date of the calendar month falling after the expiry of one month from the date of first Disbursement. Provided, in the event the Disbursement takes place on the first day of the calendar month, then the First Fixed Component Payment Date shall be construed as the last day of the month of Disbursement. For example, in case of Disbursement on first day of February 2023 first Fixed Component Payment will be payable on 28th February 2023, and if the disbursement is taken on February 15, 2023, then first Fixed Component Payment will be payable on March 31, 2023.
"First Variable Component Payment Date"	shall mean the last date of the calendar month at the end of 13 (thirteen) months period including the month in which first Disbursement is made. The Variable Component Payment shall be payable till 10 years from the date of first Disbursement. For example, in case the first Disbursement is made in the month of February 2023, first Variable Component Payment will be payable on March 31 2024, and every year thereafter till March 31, 2033.
"Facility Documents"	means collectively the Agreement, Sanction Letter, Escrow Agreement, Security Document and all other instruments, agreements and documents pertaining to or relating to the Agreement as amended, modified, varied and supplemented from time to time and any other related document executed in relation to the Facility.
"Fixed Component Payment"	means the return on equity of INR 22.42 crore per month towards the repayment of the Facility and Interest thereon as detailed in Schedule VII.
"Governmental Approval"	means any material authorization, approval, consent, license or permit required from any Governmental Authority or pursuant to any Applicable Law.
"Interest Payment Date(s)"	shall mean the last day of each calendar month, and if such day is not a Business Day, then the Business Day immediately preceding such day.
"Material Adverse Effect"	shall mean an event or circumstance which has a material adverse effect on or a material adverse change in: (a) The financial condition, assets, operations, or business of the Company; or (b) The ability of the Company to perform its obligations under the Facility Documents; or (c) The validity, legality or enforceability of Facility Documents.



"Person(s)"	shall unless specifically provided otherwise mean any individual, corporation, partnership association of persons, joint venture company, joint stock company, trust or government authority as the context may admit.
"Power Station"	shall have the meaning ascribed to it under Recital A
"Purpose"	means the utilization of the Facility for the purposes detailed in clause 2.2 of this Agreement in accordance with the Applicable Laws.
"Quoted Discount Rate"	shall mean the rate quoted by the Investor/Lender/Bank in response to the Bid Documents, that is 7.65% p.a.
"Receivables"	shall mean collectively the Fixed Component Amount, Variable Component Amount and Additional Payment.
"Secured Obligations"	shall mean all amounts due, owing or payable to Investor/Lender/Bank by the Company pursuant to the terms of the Facility Agreement and /or the other Facility Documents, including without limitation: (a) the total amount of the principal and interest on the Facility, and all other obligations and liabilities of the Company, including amounts arising out of indemnities, expenses, fees, charges and interest, incurred under, arising out of or in connection with any Facility Document; (b) in the event of any proceeding for the collection or enforcement of the Secured Obligations, after an Event of Default shall have occurred, the expenses incurred by the Investor/Lender/Bank for exercise of its right under this Deed and/or the other Facility Documents, together with legal fees and court costs.
"Security"	shall have the meaning ascribed to it under Clause 2.4 of this Agreement.
"Security Documents"	shall mean the deed of hypothecation and cash credit hypothecation or executed/to be executed by the Company and such other documents/agreements that may be entered into or delivered or deposited with the Investor/Lender/Bank for creating, effecting, perfecting and maintaining the Security, in a form and substance satisfactory to the Investor/Lender/Bank.
"Sanction Letter"	shall mean the sanction letter issued by the Investor/Lender/Bank dated 31.12.2022 bearing reference number CAG/AMT-1/2022-23/280, as amended from time to time.
"Spread"	shall mean fixed spread of 0.05%.
"Subsequent Fixed Component Payment Date"	shall mean the date occurring after the expiry of every one month period from First Fixed Component Payment Date.
"Subsequent Variable Component Payment Date"	shall mean the date occurring after the expiry of every 12 (twelve) months from the First Variable Component Payment Date.



"Tax"	means any interest tax, other levies, duties if any, applicable as per the Agreement.
"Variable Component Payment"	shall mean 5% (five percent) of income booked by Company from sale of secondary energy units from the Power Station for the period of 12 month period inclusive of the month of Disbursement.

[Remainder of this Page Left Intentionally Blank]



Interpretation

In the Agreement,

- (i) any reference to the singular shall include the plural and vice-versa;
- (ii) any reference to the masculine, the feminine and the neuter shall include each other;
- (iii) any reference to a "company" shall include a body corporate;
- (iv) the recitals and schedules form part of the Agreement and shall have the same force and effect as if expressly set out in the body of the Agreement, and any reference to the Agreement shall include all recitals and schedules to it. Any references to clauses and schedules are references to the clauses and schedules to the Agreement. Any references to parts or paragraphs are, unless otherwise stated, reference to parts or paragraphs of the schedule in which the reference appears.
- (v) In case of any inconsistency among the Sanction Letter, Agreement and other Finance documents the terms more favorable to the Lender / Bank shall prevail to the extent of such inconsistency.

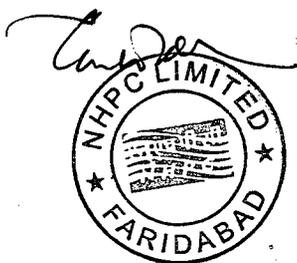
[Remainder of this Page Left Intentionally Blank]



SCHEDULE IV

CONDITIONS PRECEDENT

- (i) The Company submitting certified, true and up-to date (where applicable) copies of the following to the Investor/Lender/Bank-
 - (a) its Memorandum of Association and Articles of Association;
 - (b) a Resolution by the Board of directors of the Company accepting the Facility and approving the execution, delivery and performance of the Facility Documents and authorizing a key managerial person or persons to sign, execute and deliver each such document and any other documents to be delivered pursuant thereto and it's noting thereof by the Board;
 - (c) a resolution of its shareholders under Section 180 of the Act authorizing the borrowing of monies and creation of security, if any.
- (ii) The Company submitting a certificate from its statutory auditors/company secretary confirming that the Facility would be within the borrowing limits of the resolution of the shareholders as set out above; and
- (iii) The Company's Representations and Warranties having remained accurate and absence of any breach of the covenants or any other provision of the Facility Documents by the Company.



SCHEDULE V

DRAWDOWN NOTICE

[Insert date here]

To,
State Bank of India
Corporate Accounts Group Branch
5th Floor, Parsvnath Capital Towers
Bhai Veer Singh Marg, Gole Market
New Delhi - 110001

Dear Sirs,

Subject: Facility Agreement dated 27.01.2023

1. Please refer to the facility agreement executed between Investor/Lender/Bank and the NHPC Limited (the "Company") on 27.01.2023 (the "Agreement"). All terms defined in the Agreement shall bear the same meanings herein.
2. The Company hereby requests the Disbursement on [●] (or as soon as practicable thereafter) of the amount of [●] under the Facility in accordance with the provisions of clause 4 of the Agreement.
3. For the purposes of the Agreement, the Company hereby certifies as follows:
 - (a) no Event of Default has occurred or is continuing and there is no likelihood of the occurrence of such an Event of Default to the best of its knowledge and belief;
 - (b) the proceeds of the Disbursement are, at the date of this request required by the Company for the Purpose(s);
 - (c) nothing has occurred which has or could reasonably be expected to have a Material Adverse Effect and the Company has not incurred any material loss or liability;
 - (d) the Company's Representations and Warranties made in the Agreement are true on and as of the date of this request and will be true on and as of the Drawdown Date with the same effect as if such representations and warranties had been made on and as of each such date;
 - (e) the Company hereby certifies that all of the conditions in clause 3.1 of the Agreement have been satisfied; and
 - (f) after giving effect to the Disbursement, the Company will not be in violation of:
 - (i) its organizational documents;
 - (ii) any provision contained in any document to which the Company is a party

Page 24 of 34



(including the Agreement) or by which the Company is bound; or
(iii) any law, rule, regulation, authorization, agreement or other document binding on the Company directly or indirectly, limiting or otherwise restricting the Company's borrowing power or authority or its ability to borrow.

The above certifications are effective as of the date of this request for Disbursement and shall continue to be effective as of the Drawdown Date. If any of these certifications is no longer valid as on or prior to the date of the requested Disbursement, the Company will immediately notify the Investor/Lender/Bank.

IN WITNESS WHEREOF, I have hereunto set my hand this day of [●], 2023

For NHPC Limited

By:

Name: [●]

Designation: [●]



SCHEDULE VI

COVENANTS

A. POSITIVE COVENANTS

i) Inspection

The Company shall permit and make suitable arrangements for the representatives, authorized officers, agents or employees of the Investor/Lender/Bank to visit and inspect its offices, its properties and assets, in relation to the Receivables and examine the Company's books of records, account with prior written notice of 10 (ten) Business Days.

ii) Maintenance of Existence; Books and Records

The Company shall preserve and maintain its legal existence as a company engaged in the implementation of the Power Station and activities related and incidental thereto and shall maintain proper books of record as are necessary to truly, accurately and correctly reflect the financial condition, operations of the Company and scale of its operations.

iii) Applicable Laws

The Company shall comply in all material respects with the Applicable Law including in relation to the conduct of its business and operation and maintenance of the Power Station.

iv) Maintenance of Accounts

The Company shall open and maintain the Escrow Account with the Escrow Bank and shall ensure deposit of all Receivables into the Escrow Account to be opened and maintained in terms of the Escrow Account Agreement.

v) Use of Proceeds

The Company acknowledges and agrees that the proceeds of the Facility shall be utilized for the Purpose and shall not be used for any other purpose whatsoever.

vi) Taxes Duties

The Company shall pay and discharge all Taxes and other statutory dues imposed on or payable by it including Taxes on its income, profits or on any of its property and shall file all returns relating to such Taxes.

vii) Auditor Certificate

The Company shall provide to the Lender the Auditor Certificate within 30 (thirty) days from the date of the payment of Variable Component Payment.

B. NEGATIVE COVENANTS

The Company shall not, without the prior written consent of the Investor/Lender/Bank:

(a) Change in Business and Operations:



Effect any change to the Company's business and operations having Material Adverse Effect.

(b) Abandonment:

The Company shall not Abandon or agree to Abandon the Power Station.

(c) Insolvency:

The Company shall not initiate any voluntary insolvency or bankruptcy proceeding of any nature whatsoever.

[Remainder of this Page Left Intentionally Blank]



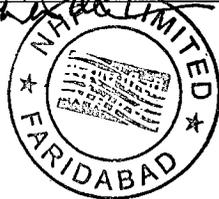
Page 27 of 34



SCHEDULE VII
AMORTIZATION SCHEDULE

All figures in INR Crore

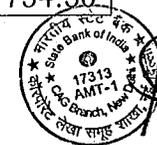
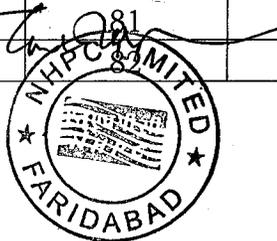
End of Period	Period	Opening Balance	Total Payment	Interest	Principal	Closing Bal
31.03.2023	1	1876.37	22.42	11.96	10.46	1865.91
30.04.2023	2	1865.91	22.42	11.90	10.52	1855.39
31.05.2023	3	1855.39	22.42	11.83	10.59	1844.80
30.06.2023	4	1844.80	22.42	11.76	10.66	1834.14
31.07.2023	5	1834.14	22.42	11.69	10.73	1823.41
31.08.2023	6	1823.41	22.42	11.62	10.80	1812.61
30.09.2023	7	1812.61	22.42	11.56	10.86	1801.75
31.10.2023	8	1801.75	22.42	11.49	10.93	1790.81
30.11.2023	9	1790.81	22.42	11.42	11.00	1779.81
31.12.2023	10	1779.81	22.42	11.35	11.07	1768.74
31.01.2024	11	1768.74	22.42	11.28	11.14	1757.59
29.02.2024	12	1757.59	22.42	11.20	11.22	1746.38
31.03.2024	13	1746.38	22.42	11.13	11.29	1735.09
30.04.2024	14	1735.09	22.42	11.06	11.36	1723.73
31.05.2024	15	1723.73	22.42	10.99	11.43	1712.30
30.06.2024	16	1712.30	22.42	10.92	11.50	1700.80
31.07.2024	17	1700.80	22.42	10.84	11.58	1689.22
31.08.2024	18	1689.22	22.42	10.77	11.65	1677.57
30.09.2024	19	1677.57	22.42	10.69	11.73	1665.84
31.10.2024	20	1665.84	22.42	10.62	11.80	1654.04
30.11.2024	21	1654.04	22.42	10.54	11.88	1642.17
31.12.2024	22	1642.17	22.42	10.47	11.95	1630.22



31.01.2025	23	1630.22	22.42	10.39	12.03	1618.19
28.02.2025	24	1618.19	22.42	10.32	12.10	1606.08
31.03.2025	25	1606.08	22.42	10.24	12.18	1593.90
30.04.2025	26	1593.90	22.42	10.16	12.26	1581.64
31.05.2025	27	1581.64	22.42	10.08	12.34	1569.31
30.06.2025	28	1569.31	22.42	10.00	12.42	1556.89
31.07.2025	29	1556.89	22.42	9.93	12.49	1544.40
31.08.2025	30	1544.40	22.42	9.85	12.57	1531.82
30.09.2025	31	1531.82	22.42	9.77	12.65	1519.17
31.10.2025	32	1519.17	22.42	9.68	12.74	1506.43
30.11.2025	33	1506.43	22.42	9.60	12.82	1493.62
31.12.2025	34	1493.62	22.42	9.52	12.90	1480.72
31.01.2026	35	1480.72	22.42	9.44	12.98	1467.74
28.02.2026	36	1467.74	22.42	9.36	13.06	1454.67
31.03.2026	37	1454.67	22.42	9.27	13.15	1441.53
30.04.2026	38	1441.53	22.42	9.19	13.23	1428.30
31.05.2026	39	1428.30	22.42	9.11	13.31	1414.98
30.06.2026	40	1414.98	22.42	9.02	13.40	1401.58
31.07.2026	41	1401.58	22.42	8.94	13.48	1388.10
31.08.2026	42	1388.10	22.42	8.85	13.57	1374.53
30.09.2026	43	1374.53	22.42	8.76	13.66	1360.87
31.10.2026	44	1360.87	22.42	8.68	13.74	1347.12
30.11.2026	45	1347.12	22.42	8.59	13.83	1333.29
31.12.2026	46	1333.29	22.42	8.50	13.92	1319.37
31.01.2027	47	1319.37	22.42	8.41	14.01	1305.36
28.02.2027	48	1305.36	22.42	8.32	14.10	1291.27
31.03.2027	49	1291.27	22.42	8.23	14.19	1277.08
30.04.2027	50	1277.08	22.42	8.14	14.28	1262.80
31.05.2027	51	1262.80	22.42	8.05	14.37	1248.43
30.06.2027	52	1248.43	22.42	7.96	14.46	1233.97



31.07.2027	53	1233.97	22.42	7.87	14.55	1219.41
31.08.2027	54	1219.41	22.42	7.77	14.65	1204.77
30.09.2027	55	1204.77	22.42	7.68	14.74	1190.03
31.10.2027	56	1190.03	22.42	7.59	14.83	1175.19
30.11.2027	57	1175.19	22.42	7.49	14.93	1160.27
31.12.2027	58	1160.27	22.42	7.40	15.02	1145.24
31.01.2028	59	1145.24	22.42	7.30	15.12	1130.12
29.02.2028	60	1130.12	22.42	7.20	15.22	1114.91
31.03.2028	61	1114.91	22.42	7.11	15.31	1099.60
30.04.2028	62	1099.60	22.42	7.01	15.41	1084.19
31.05.2028	63	1084.19	22.42	6.91	15.51	1068.68
30.06.2028	64	1068.68	22.42	6.81	15.61	1053.07
31.07.2028	65	1053.07	22.42	6.71	15.71	1037.36
31.08.2028	66	1037.36	22.42	6.61	15.81	1021.56
30.09.2028	67	1021.56	22.42	6.51	15.91	1005.65
31.10.2028	68	1005.65	22.42	6.41	16.01	989.64
30.11.2028	69	989.64	22.42	6.31	16.11	973.53
31.12.2028	70	973.53	22.42	6.21	16.21	957.32
31.01.2029	71	957.32	22.42	6.10	16.32	941.00
28.02.2029	72	941.00	22.42	6.00	16.42	924.58
31.03.2029	73	924.58	22.42	5.89	16.53	908.05
30.04.2029	74	908.05	22.42	5.79	16.63	891.42
31.05.2029	75	891.42	22.42	5.68	16.74	874.68
30.06.2029	76	874.68	22.42	5.58	16.84	857.84
31.07.2029	77	857.84	22.42	5.47	16.95	840.89
31.08.2029	78	840.89	22.42	5.36	17.06	823.83
30.09.2029	79	823.83	22.42	5.25	17.17	806.66
31.10.2029	80	806.66	22.42	5.14	17.28	789.38
30.11.2029	81	789.38	22.42	5.03	17.39	772.00
31.12.2029		772.00	22.42	4.92	17.50	754.50

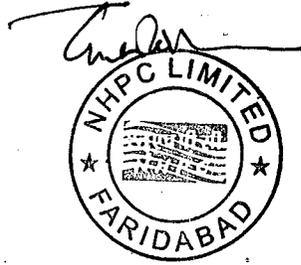


31.01.2030	83	754.50	22.42	4.81	17.61	736.89
28.02.2030	84	736.89	22.42	4.70	17.72	719.16
31.03.2030	85	719.16	22.42	4.58	17.84	701.33
30.04.2030	86	701.33	22.42	4.47	17.95	683.38
31.05.2030	87	683.38	22.42	4.36	18.06	665.32
30.06.2030	88	665.32	22.42	4.24	18.18	647.14
31.07.2030	89	647.14	22.42	4.13	18.29	628.84
31.08.2030	90	628.84	22.42	4.01	18.41	610.43
30.09.2030	91	610.43	22.42	3.89	18.53	591.90
31.10.2030	92	591.90	22.42	3.77	18.65	573.26
30.11.2030	93	573.26	22.42	3.65	18.77	554.49
31.12.2030	94	554.49	22.42	3.53	18.89	535.61
31.01.2031	95	535.61	22.42	3.41	19.01	516.60
28.02.2031	96	516.60	22.42	3.29	19.13	497.47
31.03.2031	97	497.47	22.42	3.17	19.25	478.23
30.04.2031	98	478.23	22.42	3.05	19.37	458.85
31.05.2031	99	458.85	22.42	2.93	19.49	439.36
30.06.2031	100	439.36	22.42	2.80	19.62	419.74
31.07.2031	101	419.74	22.42	2.68	19.74	400.00
31.08.2031	102	400.00	22.42	2.55	19.87	380.13
30.09.2031	103	380.13	22.42	2.42	20.00	360.13
31.10.2031	104	360.13	22.42	2.30	20.12	340.01
30.11.2031	105	340.01	22.42	2.17	20.25	319.75
31.12.2031	106	319.75	22.42	2.04	20.38	299.37
31.01.2032	107	299.37	22.42	1.91	20.51	278.86
29.02.2032	108	278.86	22.42	1.78	20.64	258.22
31.03.2032	109	258.22	22.42	1.65	20.77	237.44
30.04.2032	110	237.44	22.42	1.51	20.91	216.54
31.05.2032	111	216.54	22.42	1.38	21.04	195.50
30.06.2032	112	195.50	22.42	1.25	21.17	174.32



31.07.2032	113	174.32	22.42	1.11	21.31	153.02
31.08.2032	114	153.02	22.42	0.98	21.44	131.57
30.09.2032	115	131.57	22.42	0.84	21.58	109.99
31.10.2032	116	109.99	22.42	0.70	21.72	88.27
30.11.2032	117	88.27	22.42	0.56	21.86	66.41
31.12.2032	118	66.41	22.42	0.42	22.00	44.42
31.01.2033	119	44.42	22.42	0.28	22.14	22.28
28.02.2033	120	22.28	22.42	0.14	22.28	0.00

Note: In addition to above, Variable component (5% of the actual revenue booked for the Power Station from sale of Secondary Energy for previous 12-month period) wherever available for payment, shall be credited to the EA at the end of respective 13-month period and shall be paid to the Bank as additional payout for the year in addition to the fixed pay-out.



SCHEDULE VIII

COMPANY REPRESENTATIONS AND WARRANTIES

1. Existence and Ability

1.1 The Company is duly organized and validly existing under the laws of India and is in good standing.

1.2 The Company has all corporate powers and material Governmental Approvals, required to own its property and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates.

2. Power and Authority

The Company has the full legal right, capacity and authority to enter into the Facility Documents to which it is a party, and the Facility Documents constitute legal, valid and binding obligations on the Company. The Company has the corporate power and authority to execute and deliver the terms and provisions of the Facility Documents and has taken all necessary corporate actions to authorize the execution and delivery of the Facility Documents and the transactions contemplated hereby.

3. Valid and Binding Obligation

Facility Documents constitutes a legally valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws.

4. No Violation

The execution, delivery and performance by the Company of the Facility Documents and the compliance by it with the terms and provisions thereof do not and will not-

- (i) contravene any material provision of any Applicable Law, statute, rules or regulations or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject; or
- (ii) conflict with or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under, any agreement, contract or instrument to which it is a party or by which, it or any of its property or assets is bound or to which it may be subject; or
- (iii) violate any material provision of its memorandum and articles of association and other constitutional documents.

5. Litigation

To the best of knowledge of the Company, there are no material claims, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to the Company which could reasonably be expected to have a Material Adverse Effect.



6. Insolvency

The Company has not taken any corporate action and to the best of its knowledge no other steps have been taken or legal proceedings have been started or any application is filed against it for its winding-up, bankruptcy, dissolution, administration or reorganization including no action (voluntary or involuntary) for liquidation / insolvency, under Insolvency and Bankruptcy Code, 2016 has been taken and/or is pending or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer or of any or all of its assets or revenues.

7. Borrowings

7.1 The total amount borrowed by the Company does not exceed any limitation on their borrowings contained in its articles of association, or in any resolution of its Board, or other deed or document binding on the Company.

7.2 To the best of its knowledge, no event of default or breach-

(a) which has or would entitle a lender or other counterparty of any borrowing to require the payment or repayment of such borrowing before its normal or originally stated maturity; or

(b) which is or shall be such as to terminate, cancel or render incapable of exercise any entitlement to draw money or other rights of the Company under a written agreement related to any borrowing, has been declared by the lender or counter party of such borrowing or has occurred or is expected to occur in relation to such borrowing.

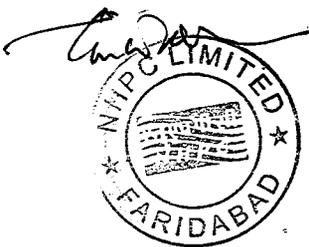
7.3 The Company is not in breach of its material obligations, undertakings or covenants under any of the loan agreements entered into with its lenders.

8. Compliance with Applicable Laws

The Company to the best of its knowledge, has complied with all material Applicable Laws in India and there has not been and there is no investigation, enquiry, order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the knowledge of the Company, anticipated against the Company which would have a Material Adverse Effect.

9. Material Adverse Effect

To the best of its knowledge, there are no facts or circumstances, conditions or occurrences, which could collectively or otherwise be expected to result in Material Adverse Effect.



Non Judicial



Indian-Non Judicial Stamp Haryana Government



Date : 09/02/2024

Certificate No. G0I2024B2157

GRN No. 112789799



Stamp Duty Paid : ₹ 210
(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Nhpc Limited

H.No/Floor: Na

City/Village: Na

Phone: 99*****20

Sector/Ward: Na

District: Faridabad

LandMark: Na

State: Haryana

Buyer / Second Party Detail

Name: Hdfc Bank Limited

H.No/Floor: Na

City/Village: Na

Phone: 99*****20

Sector/Ward: Na

District: Central

LandMark: Na

State: Delhi



Purpose: GENERAL AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

This stamp paper forms an integral part of Facility Agreement/
Loan Agreement executed between NHPC Limited and
HDFC Bank Limited dated 9th February 2024



FACILITY AGREEMENT

BETWEEN

NHPC LIMITED

As Company

AND

HDFC Bank Limited

As Investor



FACILITY AGREEMENT

THIS **FACILITY AGREEMENT ("Agreement")** is made at Faridabad on this 9th day of February 2024 ("Execution Date") by and between:

NHPC LIMITED, a public limited company incorporated and registered under the Companies Act 1956 and an existing company within Companies Act, 2013, having its corporate identification number L40101HR1975GOI032564 with its registered office at NHPC office complex, Sector 33 Faridabad, Haryana-121003 (hereinafter referred to as the "Company", which expression shall unless it be repugnant to the context or meaning thereof, includes its successors and permitted assigns) of the **FIRST PART**;

AND

HDFC BANK LIMITED, a company incorporated under the Companies Act, 1956 and an existing company within Companies Act, 2013, with Corporate Identity Number L65920MH1994PLC080618 and having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 in its capacity as Investor acting through its authorized officers (hereinafter referred to as the "**Investor**", which expression shall, unless repugnant to the subject, context hereof, include its successors, assigns) of the **SECOND PART**

The Company and the Investor shall individually be referred to as "Party" and collectively as "Parties" under this Agreement.

WHEREAS

A. The Company is a hydropower company in India and engaged in designing constructing and operating hydropower plants including Kishanganga power station set up on river Kishanganga in Bandipora district of Jammu and Kashmir (the "**PowerStation**").

B. The Company has approached the Investor for securitization of its Free Cash from the Power Station, and the Investor has agreed to make available to the Company the facility of an aggregate principal amount not exceeding Rs. 2046.94 Crore (Rupees Two Thousand Forty Six Crore and Ninety Four Lakhs) (the "**Facility**") for the Purpose (defined hereinafter).

C. Based on the representations and assurances of the Company, the Investor has agreed to provide the Facility to the Company and the Company has agreed to avail the Facility from the Investor on the terms and subject to the conditions contained in this Agreement and the other Facility Documents.



NOW THEREFORE, in consideration of the premises and mutual agreements and covenants contained in the Agreement and other good and valuable consideration (the receipt and adequacy of which is hereby mutually acknowledged), each of the Parties hereby agree as follows-

1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

In addition to the terms defined in (i) the recitals to the Agreement; (ii) elsewhere in the Agreement, the capitalized terms shall have the meanings set forth in Schedule III hereto.

2. THE FACILITY

2.1 Facility

Subject to the terms and conditions of the Agreement and upon issuance of a duly completed Drawdown Notice in the manner set out in clause 4 of the Agreement, Investor agrees to make available to the Company, the Facility in accordance with the terms of the Agreement.

2.2 Purpose

2.2.1. The proceeds of the Facility shall be utilized towards capex requirement of the company including recoupment of capex already incurred in the last 12 months. In case of recoupment of capex, company shall utilize the money for its bonafide business purpose only.

2.2.2 The Company agrees to furnish a certificate from an independent Chartered Accountant regarding the utilization of funds disbursed and such certificate shall be furnished to the Investor within forty-five (45) days of Disbursement of the Facility.

2.3 Availability

The Facility shall be available for Disbursement on the Drawdown Date set out in a Drawdown Notice, provided that Disbursement of the Facility will not occur after 60 (sixty) Business Days from the Execution Date.

2.4 Security

- i. The Secured Obligations shall be secured by the below mentioned security created/to be created in favour of the Investor, in the form and manner acceptable to the Investor:
 - (a) a first exclusive charge by way of hypothecation over the Escrow Account of the Company, established/to be established in accordance with the Escrow Account Agreement ("**Security**"); and
 - (b) Pari-passu charge on specific projects / power station(s) existing & future movable and/or immovable fixed assets of the Company to the extent of 1.0 times of sanctioned amount. ("**Security**").
- ii. The Security stipulated in Article 2.4 (i) shall be created on or before the initial Drawdown Date.
- iii. The Company shall forthwith, and in no event later than 30 (thirty) days from the date of execution of the relevant Security Document(s) or shorter period, if any, provided under the Applicable Laws, file particulars of the charges created under the Security Document with the relevant Registrar of Companies by filling Form CHG-1 and paying such fees as may be prescribed
- iv. The Company shall promptly provide evidence of perfection of charge over the Security, including certified true copies of CHG 1, along with annexures, challan, charge certificate, etc. in favour of the Investor and all details in relation to registration of the charge in favour of the Investor.
- v. The Company shall take all necessary actions and provide necessary assistance to the Investor for filing/registration of the Security Document and the charge created thereunder with Central



Registry of Securitisation Asset Reconstruction and Security Interest of India, forthwith upon execution of the Security Document and in any event not later than 1 (One) Business Day from the execution of such Security Document.

2.5 Receivables

Receivables shall mean collectively the Fixed Component Amount and Additional Payment.

3. CONDITIONS PRECEDENT

3.1 Conditions Precedent to the Facility

Notwithstanding any other provision hereof, the Investor shall not be obligated to make a Disbursement of the Facility, pursuant to a Drawdown Notice, unless the Company has satisfied the Conditions Precedent as set out in Schedule IV hereto or waived by the Investor in its sole discretion and no Event of Default has occurred. The satisfaction of any Condition Precedent in this clause by the Company may be waived by the Investor, in writing, at its sole discretion, following a written request from the Company setting out (a) the Condition(s) Precedent in respect of which Company seeks a waiver, and (b) the reasons for seeking such waiver.

4. DRAWDOWN

The Facility shall be drawn by the Company in a single tranche/multiple tranches as agreed by the Investor, by providing a notice in the form set out in Schedule V ("**Drawdown Notice**") after the satisfaction or waiver of all the Conditions Precedent, as the case maybe.



5. REPAYMENT OF FACILITY, INTEREST PAYMENTS

5.1.1 The outstanding principal of the Facility shall be repaid in structured instalments, in accordance with the Amortization Schedule set forth in Schedule VII hereto out of the Fixed Component Payment (defined hereinafter) payable by the Company on monthly basis. It is clarified that the first Fixed Component Payment shall be payable on the First Fixed Component Payment Date. Subsequent payments of the Fixed Component Payment shall be made on Subsequent Fixed Component Payment Date(s).

5.1.2 Interest

(a) The Interest shall be Effective Discount Rate to be paid, on monthly basis on every Interest Payment Date(s), out of the Fixed Component Payment payable by the Company on monthly basis.

(b) Interest for the break period in the month of Disbursement shall be payable at the Effective Discount Rate, by depositing the required amount in the Escrow Account, 2(two) days prior to the Interest Payment Date. It is clarified that in case the Disbursement takes place on the first day of the month, Interest shall be payable out of the Fixed Component Payment to be deposited by the Company 2(two) days prior to the Interest Payment Date in the Escrow Account.

(c) {The Benchmark Rate shall reset after every one month in accordance with Quoted Benchmark Rate i.e. 1-month T-bill rate reset will be after 1 month.

5.1.3 The Company shall be liable to make Additional Payment (defined hereinafter) at such intervals, as may be required, as per the terms of this Agreement.

5.1.4 Liquidated Damages on Defaulted Amounts

(a) In case of default in crediting/paying the Fixed Component Payment and Additional Payment on their respective Due Dates, except Liquidated Damages (the "Defaulted Amounts") the Company shall pay to the Investor, liquidated damages/Penal charges at the rate of 2% (Two Percent) per annum, plus applicable Taxes (the "Default Interest Rate") on the Defaulted Amounts ("Liquidated Damages"). The Liquidated Damages shall be payable on demand and in the absence of any such demand on the next Due Date occurring after the date of default.

(b) Liquidated Damages shall be payable for the period commencing from the date of such default as set out in paragraph (a) above till the time such default continues and is not remedied to the satisfaction of the Investor.

(c) The Company acknowledges that Liquidated Damages under this Agreement, are reasonable and represent a genuine pre-estimate of the loss likely to be suffered and incurred by the Investor.

6. REPRESENTATIONS AND WARRANTIES

6.1 By executing the Agreement, the Company makes the Company's Representations and Warranties to the Investor.

6.2 The Company's Representations and Warranties are deemed to be made by the Company on and by reference to the facts and circumstances then existing on (i) the Execution Date and (ii) each Drawdown Date.

7. COVENANTS

During the currency of the Facility, the Company agrees to abide by and ensure continued compliance with the covenants as more particularly laid down in Schedule VI of this Agreement.

8. ASSIGNMENT



The Investor reserves the right to assign its rights and obligations herein in favor of a new investor, provided that such new investor was identified as an eligible investor in terms of the Bid Documents. The Company is not entitled to assign any of its respective rights or obligations under any of the Facility Documents, without the consent of the Investor.

9. TERMS AND CONDITIONS OF TERMINATION

9.1 Term

This Agreement shall come into force from the Execution Date and the Agreement shall continue to be in force unless terminated in accordance with the provisions of clause 9.3 below or upon repayment of the Facility in accordance with the provisions contained in clause 5 hereof.

9.2 Events of Default

The occurrence and/ or continuance of any one or more of the following events shall constitute a default under the Agreement (each such event being herein referred to as an "Event of Default") -

9.2.1 If the Company fails to credit Fixed Component Payment and Additional Payment into the Escrow Account on Due Dates.

9.2.2 Any final execution or distress order being enforced or levied against the Power Station and any order relating thereto is not discharged or stayed within thirty (30) Business Days from the date of enforcement or levy.

9.2.3 A receiver or liquidator being appointed in respect of the Power Station and such appointment is not stayed, quashed, or dismissed within thirty (30) Business Days of the appointment.

9.2.4 Any event or circumstance has occurred which is materially prejudicial to or imperils or depreciates the Security or the charge created by the Security Document cease to be valid under the Applicable Laws.

9.2.5 If the Borrower commits any default in the payment of principal or interest of any obligation of the Borrower to the Bank when due and payable.

9.2.6 The Borrower has committed breach of any terms and conditions of Facility Documents.

9.2.7 Filing of any insolvency petition against the Company by any operational or financial creditor which has not been quashed or withdrawn within (seven) days of such filing.

9.2.8 Default by the Company under any document with any Bank/other bank/non-banking financial company/financial institution or other Person (cross default).

9.3 Termination

In case of occurrence and continuance of any of the events described above or in Clause 9.2 of this Agreement or if the Company has not availed the Facility before the availability period, then in such event, the Investor may, by notice in writing to the Company, terminate the right of the Company to make withdrawals. Upon such notice, the undrawn amount of the Facility shall stand cancelled.

10. CUMULATIVE RIGHTS

10.1 For greater certainty, it is expressly understood and agreed that the rights and remedies of the Investor under the Agreement, the other Facility Documents or under any document or instrument executed pursuant hereto or thereto, are cumulative and are in addition to and not in substitution of the Investor's rights or remedies provided by Applicable Law or by equity and any single or partial exercise by the Investor of any right or remedy for a default or breach of any term or condition contained in the



Agreement, the other Facility Documents or any other document or instrument executed pursuant hereto or thereto, shall not be deemed to be a waiver of or to alter, affect or prejudice the right or remedy or other rights or remedies to which the Investor may be lawfully entitled for such default or breach. Any waiver by the Investor of the strict observance, performance or compliance with any term or condition herein contained and any indulgence granted either expressly or by course of conduct of the Investor shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Investor under the Agreement, the other Facility Documents or any document or instrument executed pursuant hereto or thereto, as a result of any other default or breach hereunder or thereunder.

10.2 Consequences of Default

Upon and at any time after the occurrence of an Event of Default, the Investor may-

(i) by written notice to the Company, demand that all or part of the entire outstanding amount under the Facility and all other amounts payable under the Facility Documents be immediately due and payable; and/ or

(ii) enforce its rights under the Facility Documents in the manner provided therein and in Applicable Law; and/or

(iii) issue a notice to the Escrow Bank to draw on any margins and balances in the Escrow Account / instruct the Escrow Bank to ensure that no withdrawals/transfers take place from the Escrow Account.

(iv) If NHPC makes default in payment of the said Dues or any part thereof, the Investor would be at liberty (but not bound to do so) to appoint its nominee as receiver without having resort to a Court of Law and/or to a proceeding in Court, to take possession of the properties of the Company held/to be held by the Investor as security for the Loan hereunder or under any other security document(s) executed /to be executed by NHPC in favour of the Investor.

(v) To convert, at their option, either in part or full the outstanding due amounts under the Facility, and whether the same is due or not, into fully paid-up equity shares with voting rights of the Borrower at fair value or market value or at par, whichever is less or such other value (subject to Applicable Laws and/or as per RBI's guidelines/circular etc. / Prudential Framework for Resolution of Stressed Assets or other relevant guidelines issued/to be issued by the RBI, as may be applicable) in the manner specified in a notice in writing to be given by Investor to the Borrower ("**Notice of Conversion**"). The conversion right may be exercised by the Investor on one or more occasions during the currency of the Facility upon the occurrence of an Event of Default and/or as stipulated under Prudential Framework for Resolution of Stressed Assets. The Borrower shall ensure the compliance of the Applicable Laws for the aforesaid conversion into equity shares including but not limited to obtaining resolutions of the shareholders of the Borrower as per the Act.

11. INDEMNITY

The Company undertakes (without limiting any other remedy of the Investor under the Facility Documents or in any other way, including their right to damages in respect of a claim for breach of any of the representations or warranties on any other basis) to defend, indemnify and hold harmless the Investor and their respective officers, directors, employees, affiliates, advisors, agents and controlling Persons (each, an "Indemnified Party") from and against any and all losses, claims, liabilities, damages and expenses, joint or several relating to the transactions in the Facility Documents, the occurrence Event of Default and/or any other Indemnified Party acting on their behalf.

12. TAXES; REPORTING REQUIREMENTS

12.1 Tax gross up and Indemnities

12.1.1 Tax gross-up

(i) All payments to be made by the Company to the Investor under the Facility Documents shall be made free and clear and without any deduction or withholding for or on account of Tax, save and except for



any tax on income of the Investor ("Tax Deduction") unless the Company is required to make a Tax Deduction Applicable Law, in such case the sum payable by the Company (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Investor receives a sum net of any deduction withholding equal to the sum which it would have received had no such Deduction been made or required to be made;

(ii) If the Company is required to make a Tax Deduction, the Company shall make Tax Deduction and make any payment required in connection with that Deduction within the time allowed and in the minimum amount required Applicable Law; and

(iii) Within thirty (30) days after the Due Date of payment of any Tax or other amount which it is required to pay, the Company shall deliver to the Investor evidence such deduction, withholding or payment and of the remittance thereof to relevant taxing or other authority.

12.1.2 Tax indemnity

If the Investor is required to make any payment on account of Tax other than income payable by the Investor or in relation to any sum received or receivable under any Facility Document or if any liability in respect of any such payment is asserted, imposed, levied assessed against the Investor, Company shall, within three (3) calendar days of demand the Investor, promptly pay the Investor the full amount of such payment or liability together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this clause 12.1.2 shall not apply to any Tax imposed on calculated by reference to the net income actually received or receivable by the Investor.

13. LIEN AND SET-OFF

The Investor shall have a lien and right of set-off

(i) in respect of all and any of the Companies' present and future liabilities (including the secured liabilities) to the Investor whether under this Agreement or under any other obligation / Facility borrowings / document, whether such liabilities are/be crystallized, actual or contingent, primary or collateral or several or jointly with others, whether in same currency or different currencies, whether as principal debtor and/or as guarantor and/or otherwise howsoever (collectively "Liabilities"), the Investor shall in addition to any general lien or similar right to which any of them as bankers or financial institutions may be entitled by law, practice, custom or otherwise, have a specific and special lien on all the Company's present and future stocks, shares, securities, property, book debts, all moneys in all accounts whether current, savings, overdraft, fixed or other deposits, overdraft accounts, held with or in custody, legal or constructive, with the Investor, now or in future, whether in same or different capacity of the Company, and whether severally or jointly with others, whether for any banking relationship, safe custody, collection, or otherwise, whether in same currency or different currencies; (ii) separately, the Investor shall have the specific and express right, without notice to and without consent of the Company, to set-off, transfer, sell, realize, adjust, appropriate all such amounts in all such accounts and deposits (whether prematurely or upon maturity as per the Company's discretion), securities, amounts and property as aforesaid, for the purpose of realizing or against any of dues in respect of any of the Liabilities whether ear-marked for any particular Liability or not, to combine or consolidate all or any of accounts of any of the Company and set-off any monies, whether of same type or nature or not and whether held in same capacity or not including upon happening of any of the events of default mentioned in any of the documents pertaining to the respective Liabilities or upon any default in payment of any part of any of the Liabilities; and (iii) the Investor shall be deemed to have and hold and continue to have first charge on any assets including any deposit on which security has been/will be created in respect of the Facility, as security also for any of the other Liabilities and all the rights and powers vested in the Investor in terms of any security or charge created for the Facility shall be available to the Investor also in respect of such other Liabilities if the Facility remain outstanding, irrespective of whether the Facility is at any time outstanding, repaid or satisfied or not and even after the Facility has been repaid or prepaid.

14. PRUDENTIAL FRAMEWORK FOR RESOLUTION OF STRESSED ASSETS

The Company acknowledges and confirms that notwithstanding anything contained in this Agreement



and/or any other Facility Documents executed in relation to the Facility, the Investor shall at all times have an unqualified right, to take all such actions as may be required under or in terms of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by the Reserve Bank of India on June 7, 2019 ("**Prudential Framework for Resolution of Stressed Assets**") or any other Applicable Law, as amended, modified, supplemented, replaced, substituted and updated from time to time by any rules, regulations, notifications, circulars, press notes or orders by the RBI in this regard or any other government authority in this regard, including but not limited to conversion, at any time during the currency of the Facility, of the outstanding dues into paid-up equity share capital of the Company with voting rights at fair value or market value or at par, whichever is less or such other value (subject to Applicable Laws and as per RBI's guidelines/circular/ Prudential Framework for Resolution of Stressed Assets etc.), in accordance with the provisions of the Applicable Law. The Company hereby absolutely, unconditionally and irrevocably agrees, undertakes and confirms that it shall take all necessary action (including but not limited to passing necessary board/shareholder resolution, executing deed/documents etc.) in order ensure implementation of any action taken by the Investor under the Prudential Framework for Resolution of Stressed Assets, including the implementation of resolution plan, if any, formulated by the Investor under the Prudential Framework for Resolution of Stressed Assets.

15. AVOIDANCE AND REDUCTION OF PAYMENTS

If any payment to, or any discharge or arrangement is made in whole or in part on the faith of any payment to the Investor in respect of the dues payable under this Agreement which is avoided, set-aside or reduced for any reason whatsoever, including without limitation, insolvency, insolvency resolution or liquidation, breach of fiduciary or statutory duties, the liability of the Company shall continue under this Agreement, and the Investor will be entitled to subsequently enforce this Agreement and recover the value of the dues payable under this Agreement as if the payment, discharge, arrangement, avoidance or reduction had not occurred.

16. NO REDUCTION OF LIABILITY

Neither the liability of the Company nor the validity or enforceability of this Agreement shall be prejudiced, affected or discharged by:

- (a) any waiver, exercise, omission, compromise, arrangement or settlement with or the granting of any time, concession, consent or indulgence to any other person;
- (b) the amendment, variation or modification of any documents in relation to the Facility or any other document referred to therein (other than this Agreement, in accordance with its terms);
- (c) any merger, demerger, amalgamation, reorganization change or restructuring of the structure of the Company or any other person;
- (d) the invalidity, irregularity or unenforceability of any obligation or liability of any Person under any document in relation to the Facility to which it is or is to be a party;
- (e) any deficiency in the powers of the Company or any other person to enter into or perform any of their respective obligations under any document in relation to the facility to which each of them is or is to be a party or any irregularity in the exercise thereof or any lack of authority by any person purporting to act on its behalf;
- (f) the insolvency or liquidation or any incapacity, disability or limitation or any change in the constitution, status, control or ownership of any person, including the Company;
- (g) any act, omission, event or circumstance which would or may but for this provision operate to prejudice, affect or discharge this Agreement or the liability of the Company hereunder or any other right, power or remedy conferred upon the Investor by this Agreement or by any Applicable Law; or



- (h) any other matter or thing whatsoever.

17. PAYMENT BY MISTAKE, ACCIDENT OR ERROR

17.1 The Company hereby agrees and confirms that in the event the Investor transfers or remits any money to the Company or in its account by mistake, accident or erroneously, which money is, in the sole opinion of the Investor, not due and/or payable to the Company, then the Company shall be obligated to and shall, without any delay, demur or protest, forthwith and in no event later than one business day of such transfer/remission or on first demand by the Investor (whichever is later), return and repay the said money to the Investor in a manner satisfactory to the Investor. Till such return and repayment of the said money by the Company to the Investor, the Company shall hold the same in trust for the benefit of the Investor, keep such money segregated from all other moneys of the Company and keep it free from any attachment.

17.2 The Company hereby acknowledges and agrees that any non-compliance of the aforesaid obligations shall be a breach of trust and fiduciary duties on the part of the Company. The Company hereby further agrees and confirms that in case the Company fails to return the money within the timelines as mentioned above, the Company shall be liable to pay interest on such money to the Investor at the same rate as applicable to the Facility granted in terms of this Agreement.

17.3 Without prejudice to the foregoing, the Company hereby agrees and confirms that the Investor shall have the right to, at its sole and absolute discretion (a) debit any account or accounts of the Company maintained with the Investor and recover such money, under intimation to the Company, and/or (b) recover such money from the future disbursements (if any) of the Facility.

17.4 The Company further agrees that such money which has been transferred or remitted by the Investor to the Company or in its account by mistake, accident or erroneously, shall be deemed to be a part of the total outstanding said dues payable by the Company to the Investor in terms of this Agreement and other Facility Documents, in case and till such time that the said money has not been returned and repaid to the Investor in the manner as stated above.

18. GOVERNING LAW AND DISPUTE RESOLUTION

18.1 This Agreement shall be governed and construed in accordance with the laws of India

18.2 The courts, tribunals at Faridabad shall have an exclusive jurisdiction in respect of all matters arising out of / in relation to this Agreement.

19. SURVIVAL

This Agreement shall be in force until all the dues payable under this Agreement have been fully and irrevocably paid by the Company, in accordance with the terms and provisions hereof.

The (i) indemnity provisions contained this Agreement; and (ii) provisions of Clause 18 (*Governing Law and Jurisdiction*), Clause 29.2 (*Notices*), and all other provisions which customarily survive termination, shall survive the expiration or termination of this Agreement and until all the dues are discharged in full to the satisfaction of the Investor.

20. The Company understands that as pre-condition, relating to the grant of the loans / advances / other non-fund based credit facilities to the Company, the Investor requires the Company consent for the disclosure by the Investor of information and data relating to the Company of the Facility availed / to be availed by the Company, obligations assumed / to be assumed by the Company, in relation thereto and default, if any, committed by the Company, in discharge thereof, as the said Investor may deem appropriate and necessary to disclose and furnish to CIBIL and any other agency so authorised in this behalf by RBI.

21. Further, the Company authorises, consents and agrees that the Investor shall have the right to not return the photographs, information and documents submitted. The Company, including the directors, partners, proprietors, owners, promoters, employees, officers (wherever



applicable) further acknowledge and confirm that the Investor shall, without notice to or without any consent of the Company (and even for consideration) be absolutely entitled and have full right, power and authority to make disclosure of any information relating to the Company including personal information, photographs, details in relation to documents, credit facility, defaults, breaches, asset(s), condition thereof, outstanding dues, security, obligations of the Company, and credit information, KYC data, to any governmental/regulatory/statutory or private agency/entity, RBI, the Investor's other branches/ subsidiaries/ Affiliates/ credit bureau, /credit information company/rating agencies, information utilities or other entities appointed under IBC, service providers, Group members, other banks / financial institutions, any third parties, any assignees/potential assignees or transferees, any Central KYC Registry or any agency or entity authorised in this regard under Applicable Law, who may need the information and may process the information, publish in such manner and through such medium as may be deemed necessary by the publisher/ Investor/ RBI, including publishing the name as part of willful defaulter's list from time to time or also use for 'know your customer' (KYC) information verification, credit risk analysis, or for other related purposes. With regard to the Investor making disclosure of any information relating to the Investor(s) as mentioned above to information utilities or other entities appointed under IBC, the Company hereby specifically agree to promptly authenticate the 'financial information submitted by the Investor, as and when requested by the concerned information utilities or entities appointed under IBC. The Company waives the privilege of defamation, privacy and privity of contract in this regard.

22. Accordingly, the Company hereby agree and give consent for the disclosure by the Investor of all or any such;
- information and data relating to it;
 - the information or data relating to any credit facility availed of / to be availed, by it and
 - default, if any, committed by it, in discharge of its such obligation,

as the Investor may deem appropriate and necessary to disclose and furnish to CIBIL and any other agency authorised in this behalf by RBI.

23. The Company undertakes that

- the CIBIL and any other agency so authorised may use, process the said information and data disclosed by the Investor in the manner as deemed fit by them; and
- the CIBIL and any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks / financial institutions and other credit grantors or registered users, as may be specified by the RBI in this behalf.
- the Investor shall have an unqualified right to disclose to other banks information including the credit history and the conduct of the account(s) of the Company, in such manner and through such medium as the Investor in their absolute discretion may think fit.

24. The Company hereby agrees as a pre-condition of the Facility granted to the Company by the Investor that in case the Company commits default in payment of the amounts due to the Investor or in repayment of interest thereon on Due Date, the Investor and/or EBI, will have an unqualified right to disclose or publish our name or the name of the Company and its directors/partners/proprietors as defaulter in such manner and through such medium as the Investor or RBI in their absolute discretion may think fit.

25. 37. Without prejudice to the generality of the above, the Investor shall have the right to publish photographs of the Company and/or its promoters, directors, etc. in or through any media including newspapers, journals, magazines, websites, etc. as it may deem fit, in case of any defaults of breaches of this Agreement or any part thereof. The Investor and/or RBI and/or any other relevant person will have an unqualified right to disclose or publish the Company's name or the name of the Company unit and its directors/ partners/ proprietors as defaulters/ willful defaulters in such manner and through such medium as the Investor or RBI or other relevant person in their absolute discretion may think fit.



26. Notwithstanding anything contained herein or in any other document, the Sanction Letter shall be deemed to be an integral part of this Agreement and the Company shall at all times, ensure and remain in compliance with the terms and conditions contained therein along with the terms and conditions contained in this Agreement. In case of any dispute as to the existence, extent and nature of such an inconsistency and/or conflict, the decision and determination of the Investor shall be final and binding. For sake of clarity, the Company acknowledges, agrees and confirms that any breach of terms and conditions of the Sanction Letter shall be construed as a breach of this Agreement.

27. 14. MISCELLANEOUS

29.1 Further Assurances

Each Party shall co-operate with the other Party, execute and deliver to the other Party such instruments and documents and take such other actions as may be reasonably requested from time to time in order to carry out, evidence and confirm their rights and the intended purpose of the Agreement.

29.2 Notices

All notices, requests, consents, demands or other communication required or permitted to be given under the Agreement and the provisions contained herein shall be written in English and shall be sent by registered post, postage prepaid, or transmitted by facsimile transmission or couriered to the other Party at the address indicated below-

In the case of notices to the Company, to:

Address : NHPC Limited,
NHPC Office Complex, Sector 33,
Faridabad, Haryana - 121003

Attention : Executive Director, Finance
Phone Number: 0129-2259926
Facsimile : -
E-mail : nhpcbondsection@nhpc.nic.in

In the case of notices to the Investor, to:

Address : HDFC Bank Limited,
Corporate Banking,
B-6/3, Safdarjung Enclave,
DDA Commercial Complex,
New Delhi - 110029
Attention : Mr. Ashutosh Kumar
Phone Number : +91 9923277356
Facsimile : -
E-mail : ashutosh.kumar@hdfcbank.com

or at such other address as the Party to whom such notices, requests, demands or other communication is to be given shall have last notified the Party giving the same in the manner provided in this clause, but no such change of address shall be deemed to have been given until it is delivered or deemed to be delivered in accordance with this clause 14.2.

Any notice, request, demand, or other communication delivered to the Party to whom it is addressed as provided in this clause 14.2 shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if-

- (i) sent by mail, five (5) calendar days after posting it;
- (ii) sent by courier, when received at the Party's physical address; and



(iii) sent by facsimile when confirmation of its transmission has been recorded by the sender's facsimile machine.

If sent by e-mail, when it is sent provided the sender does not receive an "undeliverable" message (if sent during business hours) or (if not sent during business hours) at the beginning of business hours next following the time of sending of the e-mail.

14.3 Waivers and Acknowledgements

The Company hereby waives any right to terminate or revoke the Agreement until the Facility and interest thereon, fees, costs, charges, and all other amounts owed by and all other present and future obligations and liabilities under or in respect of the Facility Documents have been fully paid to the Investor.

14.4 Severability

If, at any time, any provision of the Agreement is or becomes illegal, invalid, or unenforceable in any respect, neither the legality, validity or enforceability of the remaining provisions will in any way be affected or impaired.

14.5 Amendments

No modification, alteration, or amendment of the Agreement or any of its terms or provisions shall be valid or legally binding on the Parties unless made in writing and duly executed by or on behalf of the Parties.

14.6 Entire Agreement

The Agreement along with other Facility Documents constitute and represent the entire Agreement between the Parties with regard to the rights and obligations of each of the Parties and supersedes all prior arrangements, agreements, or understandings, if any, whether oral or in writing, between the Parties on the Facility hereof or in respect of matters dealt with herein.

14.7 Cancellation

- (a) Notwithstanding anything to the contrary contained in this Agreement, the Investor shall have an unconditional right to cancel the undrawn/ un-availed portion of the Facility at any time during the subsistence of the Facility, without any prior notice/intimation to the Company, for any reason whatsoever, including but not limited to upon occurrence of the following events:
- (i) In case the Facility or a part thereof is not utilized by the Company, on or before the expiry of Availability Period; and/or
 - (ii) non-compliance by the Company, of the terms and conditions stipulated in the Facility Documents; and/or
 - (iii) deterioration in the loan account in any manner whatsoever; and/or
 - (iv) Illegality.

14.8 Prepayment

Any prepayment of the Loan shall be allowed fully and partially with thirty (30) days' notice after 12 (twelve) month from the disbursement of last tranche. There shall be no prepayment charges / fees / penalty if Loan is prepaid with thirty (30) days' notice.



**SCHEDULE I
PARTICULARS OF THE FACILITY**

Name of the investor (1)	Amount of facility in INR Crore (2)
HDFC Bank Limited	2,046.94
Total	2,046.94



SCHEDULE II
Investor's Sanction Letter

Offer letter (Reference Number: Cam012501230012_Noting – 212767 / 211207) dated February 07, 2024 has been shared separately with NHPC Limited.



**SCHEDULE III
DEFINITIONS AND INTERPRETATION**

"Abandonment"	shall mean withdrawing or giving up of the Power Station by the Company and shall include cessation or suspension of performance of obligations by the Company in respect of the whole or any part of the Power Station. The term "Abandon" shall be construed accordingly.
"Act"	shall mean the Companies Act, 2013, along with all applicable rules and regulations framed in connection therewith, as amended from time to time.
"Additional Payment"	shall mean the additional amount payable by the Company per month, over and above the RoE/Fixed Component Payment, in case the Effective Discount Rate is higher than the Quoted Discount Rate. Provided that in case the Effective Discount Rate is lower than the Quoted Discount Rate, the Fixed Component shall be reduced accordingly and same shall be credited to the EA.
"Amortization Schedule"	shall mean the schedule of repayment of the Disbursed Facility as set forth in Schedule VII.
"Applicable"	shall mean the laws of Republic of India.
"Benchmark Rate"	shall mean the: <ul style="list-style-type: none"> • 1 month -Month T-bill rate (FBIL website)
"Bid Documents"	Means the bid documents issued by Company in relation to the Facility.
"Business Day"	shall mean: <ul style="list-style-type: none"> • in relation to the making of any Disbursement or cancellation of Facility, by a Investor, any day on which such Investor is required or authorized by law to be open for business in the place of its lending • in relation to all other matters, a day (other than a Saturday, Sunday or a bank holiday) on which banks are normally open for business in Delhi.



CIBIL	means TransUnion CIBIL Limited (formerly: Credit Information Bureau (India) Limited), a credit information company and a company incorporated under the Companies Act, 1956, having its corporate identification number-U72300MH2000PLC128359 and its registered office at One World Center, 19th Floor, Tower 2A&2B, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra - 400013, and includes its successors and assigns.
"Company representations and warranties"	means and refers to the representations and warranties as set out in Schedule VIII;
"Condition(s) Precedent"	means the conditions precedent specified in clause 3.1 which are required to be satisfied by the Company;
"Disbursement"	means the lending and release of Facility by the Investor to the Company on the Drawdown Date(s), in accordance with the terms and conditions contained in the Agreement;
"Disbursed Facility"	shall mean aggregate of all Disbursements from time to time.
"Drawdown Date"	means the Business Day on which the Disbursement of Facility shall take place following receipt by the Investor of a Drawdown Notice;
"Due Date"	shall mean and refer the following: <ul style="list-style-type: none"> • for repayment of the Fixed Component Payment - the First Fixed Component Payment Date or the Subsequent Fixed Component Payment Date, as the case may be; and • for payment of Additional Payment - the last day of the calendar month in which Effective Discount Rate is changed, and if such day is not a Business Day, then the Business Day immediately preceding such day.
"Dues"	shall mean collectively the monthly Fixed Component Amount and monthly Additional Payment if applicable.
"Effective Discount Rate"	shall mean at any relevant time, the Benchmark Rate plus the Spread ¹ .
"Escrow Account"	shall have the meaning specified in the Escrow Account Agreement.
"Escrow Account Agreement"	shall mean the escrow account agreement entered into or to be entered into between the Company, the Investor and the Escrow Bank.
"Escrow Bank"	shall have the meaning specified to it in the Escrow Account Agreement.
"Event of Default"	means any event specified as being an event of default under clause 9.2.



"Financial Year"	shall mean the accounting period commencing from April 1st of each year till March 31st of next year.
"First Fixed Component Payment Date"	shall mean the last date of the calendar month falling after the expiry of one month from the date of first Disbursement. Provided, in the event the Disbursement takes place on the first day of the calendar month, then the First Fixed Component Payment Date shall be construed as the last day of the month of Disbursement. For example in case of Disbursement on first day of February 2024, first Fixed Component Payment will be payable on February 28 2024, and if the disbursement takes on February 15, 2024, then first Fixed Component Payment will be payable on March 31, 2024.
"Facility Documents"	means collectively the Agreement, Sanction Letter, Escrow Agreement, Security Agreement and all other instruments, agreements and documents pertaining to or relating to the Agreement as amended, modified, varied, and supplemented from time to time and any other related document executed in relation to the Facility;
"Fixed Component Payment"	means the return on equity of INR 28.75 crore per month towards the repayment of the Facility and Interest thereon as detailed in Schedule VII. In case of decrease in monthly outflows due to decrease in Benchmark Rate, then the Fixed Component shall be reduced accordingly and same shall be credited to the Escrow Account.
"Free Cash"	Free Cash is equal to return on equity (RoE) component of annual fixed charge (AFC) i.e INR 345 per year.
"Governmental Approval"	means any material authorization, approval, consent, license or permit required from any Governmental Authority or pursuant to any Applicable Law;
"Interest"	shall mean interest on the outstanding Disbursed Facility payable by the Company to the Investor at the Quoted Discount Rate or Effective Discount Rate, whichever is lower.
"Interest Payment"	shall mean the last day of each calendar month, and if such day is not a Business Day, then the Business Day immediately preceding such day.
"Loan"	shall mean this facility of amount Rs. 20,46,94,00,000/-
"Material Adverse Effect"	shall mean an event or circumstance which has a material adverse effect on or a material adverse change in: <ul style="list-style-type: none"> • The financial condition, assets, operations, or business of the Company; or • The ability of the Company to perform its obligations under the Facility Documents; or • The validity, legality or enforceability of Facility Documents.



"Person(s)"	shall unless specifically provided otherwise mean any individual, corporation, partnership, association of persons, joint venture company, joint stock company, trust or government authority as the context may admit.
"Power Station"	shall have the meaning ascribed to it under Recital A
"Purpose"	means the utilization of the Facility for the purposes detailed in clause 2.2 of this Agreement in accordance with the Applicable Laws.
"Prepayment"	Allowed fully and / or partially with 30 days' notice after 12 months from the disbursement of last trache.
"Prepayment Charges/Fee/ Penalty"	Nil
"Quoted Discount Rate"	shall mean the rate quoted by the Investor in response to the Bid Documents, that is 7.82%.
"Receivables"	shall mean the collectively the Fixed Component Amount and Additional Payment.
"Sanction Letter"	shall mean sanction letter issued by the Investor dated 7 th February 2024 bearing reference no. Cam012501230012_Noting – 212767 / 211207, as amended from time to time.
"Security"	shall have the meaning ascribed to it under Clause 2.4 of this Agreement.
"Security Documents"	shall mean the deed of hypothecation and escrow agreement to be executed by the Company and such other documents/agreements that may be entered into or delivered or deposited with the Investor for creating, effecting, perfecting and maintaining the Security, in a form and substance satisfactory to the Investor.
"Spread"	1%
"Subsequent Fixed Component Payment" Date(s)"	shall mean the date occurring after the expiry of every one-month period from First Fixed Component Payment Date.
"Tax"	means any interest tax, other levies, duties if any, applicable as per the Agreement.



Interpretation

In the Agreement,

- (i) any reference to the singular shall include the plural and vice-versa;
- (ii) any reference to the masculine, the feminine and the neuter shall include each other;
- (iii) any reference to a "company" shall include a body corporate;
- (iv) the recitals and schedules form part of the Agreement and shall have the same force and effect as if expressly set out in the body of the Agreement, and any reference to the Agreement shall include all recitals and schedules to it. Any references to clauses and schedules are references to the clauses and schedules to the Agreement. Any references to parts or paragraphs are, unless otherwise stated, reference to parts or paragraphs of the schedule in which the reference appears; and
- (v) In the event of any disagreement or dispute between the Investor and the Company regarding the materiality or reasonableness or substantiality of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorization, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Investor as to the materiality or reasonableness or substantiality of any of the foregoing shall be final and binding on the Company.



**SCHEDULE IV
CONDITIONS PRECEDENT**

(i) The Company submitting certified, true and up-to date (where applicable) copies of the following to the Investor-

(a) its memorandum of association and articles of association;

(b) a resolution by the board of directors of the Company accepting the Facility and approving the execution, delivery and performance of the Facility Documents and authorizing a key managerial person or persons to sign, execute and deliver each such document and any other documents to be delivered pursuant thereto and it's noting thereof by the board;

(c) a resolution of its shareholders under Section 180 of the Act authorizing the borrowing of monies and creation of security, if any.

(ii) The Company submitting a certificate from its statutory auditors/company secretary confirming that the Facility would be within the borrowing limits of the resolution of the shareholders as set out above; and

(iii) The Company's Representations and Warranties having remained accurate and absence of any breach of the covenants or any other provision of the Facility Documents by the Company.



**SCHEDULE V
DRAWDOWN NOTICE**

[please insert date]

To,
[Insert the name of the Investor]
[•]
Dear Sirs,

Subject: Facility Agreement dated [•]

1. Please refer to the facility agreement executed between Investor and the NHPC Limited (the "Company") on [•] (the "Agreement"). All terms defined in the Agreement shall bear the same meanings herein.

2. The Company hereby requests the Disbursement on [•] (or as soon as practicable thereafter) of the amount of [•] under the Facility in accordance with the provisions of clause 4 of the Agreement.

3. For the purposes of the Agreement, the Company hereby certifies as follows:

(a) no Event of Default has occurred or is continuing and there is no likelihood of the occurrence of such an Event of Default;

(b) the proceeds of the Disbursement are, at the date of this request required by the Company for the Purpose(s);

(c) nothing has occurred which has or could reasonably be expected to have a Material Adverse Effect and the Company has not incurred any material loss or liability;

(d) the Company's Representations and Warranties made in the Agreement are true on and as of the date of this request and will be true on and as of the Drawdown Date with the same effect as if such representations and warranties had been made on and as of each such date;

(e) the Company hereby certifies that all of the conditions in clause 3.1 of the Agreement have been satisfied; and

(f) after giving effect to the Disbursement, the Company will not be in violation of:

- o its organizational documents;
- o any provision contained in any document to which the Company is a party (including the Agreement) or by which the Company is bound; or
- o any law, rule, regulation, authorization, agreement or other document binding on the Company directly or indirectly, limiting or otherwise restricting the Company's borrowing power or authority or its ability to borrow.

The above certifications are effective as of the date of this request for Disbursement and shall continue to be effective as of the Drawdown Date. If any of these certifications is no longer valid as on or prior to the date of the requested Disbursement, the Company will immediately notify the Investor.

IN WITNESS WHEREOF, I have hereunto set my hand this day of [•], 2024

For NHPC Limited
By:
Name:
Designation:



SCHEDULE VI COVENANTS

A. POSITIVE COVENANTS

i) Inspection

The Company shall permit and make suitable arrangements for the representatives, authorized officers, agents or employees of the Investor to visit and inspect its offices, its properties and assets, in relation to the Receivables and examine the Company's books of records, account with prior written notice of 10 (ten) Business Days.

ii) Maintenance of Existence; Books and Records

The Company shall preserve and maintain its legal existence as a company engaged in the implementation of the Power Station and activities related and incidental thereto and shall maintain proper books of record as are necessary to reflect the financial condition truly, accurately and correctly, operations of the Company and scale of its operations.

iii) Applicable Laws

(a) The Company shall comply in all material respects with the Applicable Law including in relation to the conduct of its business and operation and maintenance of the Power Station.

(b) The Company shall comply in all material respects with all environmental laws, obtain and maintain any environmental permits and take all reasonable steps in anticipation of known or expected future changes to or obligations under environmental laws or environmental permits.

iv) Maintenance of Accounts

The Company shall open and maintain the Escrow Account with the Escrow Bank and shall ensure deposit of all Receivables into the Escrow Account to be opened and maintained in terms of the Escrow Account Agreement.

v) Use of Proceeds

The Company acknowledges and agrees that the proceeds of the Facility shall be utilized for the Purpose and shall not be used for any other purpose whatsoever.

vi) Taxes Duties

The Company shall pay and discharge all Taxes and other statutory dues imposed on or payable by it including Taxes on its income, profits or on any of its property and shall file all returns relating to such Taxes.

vii) The Company further covenants as under:

Not to induct a person, into its Board of Directors, who is a promoter or director on the Board of a Company which has been identified as a willful defaulter or a person who has been declared as a willful defaulter by any Investor. In case such a person is already a member of the Board of Directors, the Company would take expeditious and effective steps for the removal of that person from the Board of Directors.

viii) FATCA

The Company is incorporated in India and the Company hereby agrees and acknowledges that the Investor may require the Company to provide assistance and co-operation in relation to Foreign Account Tax Compliance Act ("FATCA") compliance (including without limitation the provisions of the Income Tax Act, 1961 and the directions of Reserve Bank of India ("RBI"), from time to time), and in this regard



hereby agrees and undertakes to extend full co-operation to the Investor including, without limitation, by (i) furnishing such information, forms, records, reports, data which the Investor may require in this regard, and (ii) permitting the Investor to conduct such due diligence and / or inspection exercises as the Investor may deem fit in this connection.

(ix) Willful Defaulter

The Company shall not induct a person, into its board of directors, who is a promoter or director on the board of a company which has been identified as a willful defaulter or a person who has been declared as a willful defaulter by any bank/financial institution. In case such a person is already a member of Company's board of directors, the Company would take expeditious and effective steps for the removal of that person from its board of directors.

(x) Disclosure

(a) The Company understands that as pre-condition, relating to the grant of the Facility to the Company, the Investor requires the Company's consent for the disclosure by the Investor of information and data relating to the Company of the Facility availed / to be availed by the Company, obligations assumed / to be assumed by the Company, in relation thereto and default, if any, committed by the Company, in discharge thereof, as the Investor may deem appropriate and necessary to disclose and furnish to TransUnion CIBIL Limited ('CIBIL') and any other agency so authorized in this behalf by RBI.

(b) Further, the Company authorizes, consents and agrees that the Investor shall have the right to not return the photographs, information and documents submitted by the Company. The Company, including the directors, employees, officers further acknowledge and confirm that the Investor shall, without notice to or without any consent of the Company (and even for consideration) be absolutely entitled and have full right, power and authority to make disclosure of any information relating to the Company including personal information, photographs, details in relation to documents, credit facility, defaults, breaches, asset(s), condition thereof, outstanding dues, Security, obligations of the Company, and credit information, 'know your customer' (KYC) data, to any governmental/regulatory/statutory or private agency/entity, RBI, the Investor's other branches/subsidiaries/affiliates/credit bureau, / credit information company/rating agencies, information utilities, or other entities appointed under Insolvency and Bankruptcy Code, 2016, as amended from time to time and rules framed thereunder ("IBC"), service providers, group members, other banks/financial institutions, any third parties, any assignees/potential assignees or transferees, any central KYC registry or any agency or entity authorized in this regard under Applicable Law, who may need the information and may process the information, publish in such manner and through such medium as may be deemed necessary by the publisher/Investor/RBI, including publishing the name as part of willful defaulter's list from time to time or also use for KYC information verification, credit risk analysis, or for other related purposes. With regard to the Investor making disclosure of any information relating to the Company as mentioned above to information utilities or other entities appointed under IBC, the Company hereby specifically agrees to promptly authenticate the 'financial information submitted by the Investor, as and when requested by the concerned information utilities or entities appointed under IBC. The Company waives the privilege of defamation, privacy and privity of contract in this regard. Accordingly, the Company hereby agrees and gives consent for the disclosure by the Investor of all or any such:

- (i) information and data relating to it;
- (ii) the information or data relating to any credit facility availed of / to be availed by it and
- (iii) default, if any, committed by it, in discharge of its such obligation,

as the Investor may deem appropriate and necessary to disclose and furnish to CIBIL and any other agency authorised in this behalf by RBI.

(c) The Company undertakes that

- (i) the CIBIL and any other agency so authorised may use, process the said information and data disclosed by the Investor in the manner as deemed fit by them;
- (ii) the CIBIL and any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks / financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank in this behalf; and
- (iii) the Investor shall have an unqualified right to disclose to other banks information including the credit history and the conduct of the account(s) of the Company, in such manner and through such medium as the Investor in their absolute discretion may think fit.



B. NEGATIVE COVENANTS

The Company shall not, without the prior written consent of the Investor:

(a) Change in Business and Operations

Effect any change to the Company's business and operations having Material Adverse Effect.

(b) Abandonment

The Company shall not Abandon or agree to Abandon the Power Station.

(c) Insolvency

The Company shall not initiate any voluntary insolvency or bankruptcy proceeding of any nature whatsoever.

C. Information Covenant

The Company shall inform the Investor within 5 (five) Business Days of the occurrence of any social, labour, health and safety or environmental incidents, accidents or any other circumstances which could reasonably be expected to have any material adverse effect on the Company's business.



**SCHEDULE VII
AMORTIZATION SCHEDULE**

To be shared separately

4160



SCHEDULE VIII COMPANY REPRESENTATIONS AND WARRANTIES

1. Existence and Ability

1.1. The Company is duly organized and validly existing under the laws of India and is in good standing.

1.2 The Company has all corporate powers and material Governmental Approvals, required to own its property and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates.

1.3 All resolutions, certificates and other related documents furnished by the Company to the Investor are valid, binding and in full force, and have not been (A) rescinded; or (B) amended or modified, in a manner not permitted under this Agreement and/or other Facility Documents in relation to the Facility.

2. Power and Authority

The Company has the full legal right, capacity and authority to enter into the Facility Documents to which it is a party, and the Facility Documents constitute legal, valid and binding obligations on the Company. The Company has the corporate power and authority to execute and deliver the terms and provisions of the Facility Documents and has taken all necessary corporate actions to authorize the execution and delivery of the Facility Documents and the transactions contemplated hereby.

3. Valid and Binding Obligation

Facility Documents constitutes a legally valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditors' rights or the application of equitable principles.

4. No Violation

The execution, delivery and performance by the Company of the Facility Documents and the compliance by it with the terms and provisions thereof do not and will not-

(i) contravene any material provision of any Applicable Law, statute, rules or regulations or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject; or

(ii) conflict with or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under, any agreement, contract or instrument to which it is a party or by which, it or any of its property or assets is bound or to which it may be subject; or

(iii) violate any material provision of its memorandum and articles of association and other constitutional documents.

5. Litigation

To the best of knowledge of the Company, there are no material claims, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to the Company which could reasonably be expected to have a Material Adverse Effect.

6. Insolvency

The Company has not taken any corporate action and to the best of its knowledge no other steps have been taken or legal proceedings have been started or any application is filed against it for its winding-up, bankruptcy, dissolution, administration or reorganization including no action (voluntary or involuntary) for liquidation / insolvency, under IBC has been taken and/or is pending or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer or of any or all of its assets or revenues.



7. Borrowings

7.1 The total amount borrowed by the Company does not exceed any limitation on their borrowings contained in its articles of association, or in any resolution of its Board, or other deed or document binding on the Company.

7.2 No event of default or breach-

(a) which has or would entitle a lender or other counterparty of any borrowing to require the payment or repayment of such borrowing before its normal or originally stated maturity; or

(b) which is or shall be such as to terminate, cancel or render incapable of exercise any entitlement to draw money or other rights of the Company under a written agreement related to any borrowing, has been declared by the lender or counter party of such borrowing or has occurred or is expected to occur in relation to such borrowing.

7.3 The Company is not in breach of its material obligations, undertakings, or covenants under any of the loan agreements entered into with its lenders.

8. Compliance with Applicable Laws

The Company to the best of its knowledge, has complied with all material Applicable Laws in India and there has not been and there is no investigation, enquiry, order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the knowledge of the Company, anticipated against the Company which would have a Material Adverse Effect.

9. Material Adverse Effect

To the best of its knowledge, there are no facts or circumstances, conditions or occurrences, which could collectively or otherwise be expected to result in Material Adverse Effect.

10. The Company hereby further represents and warrants as under:

- (a) That it has obtained the requisite license and does not suffer from any statutory or legal infirmities affecting the pursuit or running of its business/ undertaking.
- (b) That it has taken all necessary corporate and other actions for execution of this Agreement and availing of the Facility from the Investor (being a company); and execution hereof and documents in pursuance hereof by the Company, constitutes legal, valid and binding obligations of the Company.
- (c) That there is no action, suit or proceedings against the Company pending before any Court of Law or Tribunal, which might affect the Company's ability to perform its obligation hereunder.
- (d) That it will provide finance out of its own source if there is any escalation in the cost of its project for which the Facility is obtained from the Investor.
- (e) That no director of the Investor is a director, manager, managing agent, employee or guarantor of the Company, or of a subsidiary of the Company, or of the holding company of the Company, or holds substantial interest, in the Company or a subsidiary or the holding company of the Company and no directors of any other bank holds substantial interest or is interested as director or as a guarantor of the Company;
- (f) That no relative (as specified by Reserve Bank of India ("RBI") of a Chairman/Managing Director or director of banking company (including the said Investor) or a relative of senior officer (as specified by RBI) of the Investor, hold substantial interest or is interested as a director or as guarantor of the Company.



- (g) That none of the Company, their directors or key managerial personnel appear in the list of defaulters issued by the RBI or the CIBIL or any other credit information bureau
- (h) That the Company shall comply in all material respects with all environmental laws, obtain and maintain any environmental permits and take all reasonable steps in anticipation of known or expected future changes to or obligations under environmental laws or any environmental permits.
- (i) That the Company has complied with all Applicable Laws, in relation to the conduct of its business including any laws in relation to anti-bribery or corruption or anti-money laundering regulations as prescribed by RBI or any other Governmental Authority
- (j) That the Company has duly paid all statutory dues, including without limitation, statutory dues under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and other labour laws, to the extent applicable.
- (k) That the Company is a resident in India/incorporated in India. In addition the Company hereby agrees and acknowledges that the Investor may require the Company to provide assistance and co-operation in relation to Foreign Account Tax Compliance Act ("FATCA") compliance (including without limitation the provisions of the Income Tax Act, 1961 and the directions of RBI, from time to time), and in this regard hereby agree and undertake to extend full co-operation to the Investor including, without limitation, by (i) furnishing such information, forms, records, reports, data which the Investor may require in this regard, and (ii) permitting the Investor to conduct such due diligence and/ or inspection exercises as the Investor may deem fit in this connection.
- (l) That the Company hereby represents, warrants and confirms that neither he nor any person(s) directly or indirectly related to him feature in the list published by the Office of Foreign Assets Control, U.S. Department of the Treasury, from time to time comprising of (i) individuals or companies owned or controlled by, or acting for or on behalf of, targeted countries or groups including, without limitation individuals identified as terrorists or narcotics traffickers, or (ii) individuals and companies that are categorised as 'Specially Designated Nationals' (SDNs) by the Office of Foreign Assets Control, U.S. Department of the Treasury. The Company agrees and acknowledges that upon being included the abovementioned lists, the Investor shall be entitled to cancel/ terminate the Facility with immediate effect, and in such event all the amounts due in respect of the Facility shall become immediately due and payable to the Investor.
- (m) That the Company its directors, promoters, guarantors associate concerns are not on ECGC caution list / specific approval list, RBI's defaulters or caution list, COFEPOSA defaulters list.
- (n) To inform the Investor within five (5) days from the date of receipt of any complaint, order, directive, claim or material written communication from any persons concerning the failure of the Company to undertake its operations in compliance with the laws and regulations as mentioned above.
- (o) To inform the Investor within five (5) working days of the occurrence of any social, labour, health and safety, security or environmental incidents, accidents or any other circumstances which could reasonably be expected to have any material adverse effect on the Company's business.



IN WITNESS WHEREOF, each of the Parties has caused the Agreement to be duly executed by its duly authorized representatives on the date and year first above written:

THE COMMON SEAL of the within named the Company, NHPC LIMITED has hereunto affixed pursuant to the resolution passed at the meeting of its Board of Directors held on 22nd December, 2023, in the presence of Directors and Company Secretary who have in token thereof, affixed their signatures hereto.



आर. पी. गोयल / R. P. GOYAL
निदेशक (वित्त) / Director (Finance)
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad



उत्तम लाल / UTTAM LAL
निदेशक (कामि) / Director (Personnel)
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad



रुपा देब / RUPA DEB
कम्पनी सचिव / Company Secretary
एन एच पी सी लिमिटेड / NHPC Limited
(भारत सरकार का उद्यम / A Govt. of India Enterprise)
सेक्टर-33, फरीदाबाद / Sector-33, Faridabad

SIGNED AND DELIVERED BY within named the Company, NHPC Limited, by the hand of its authorized official.



Name: ANUJ KAPOOR
Designation: ED (FINANCE)

SIGNED AND DELIVERED BY within named the Investor, HDFC Bank, by the hand of its authorized official.

Name: ASHUTOSH KUMAR
Designation: SVP - II

For HDFC BANK LTD.

Authorised Signatory

Non Judicial



**Indian-Non Judicial Stamp
Haryana Government**



Date : 23/12/2024

Certificate No. GOW2024L2979



Stamp Duty Paid : ₹ 101

GRN No. 125529796



Penalty : ₹ 0

PS : 2.10.002

Seller / First Party Detail

Name: Nhpc Limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village : Faridabad

District : Faridabad

State : Haryana

Phone: 84*****09



Buyer / Second Party Detail

Name : Bank Of baroda

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone : 84*****09

Purpose : GENERAL AGREEMENT

The authenticity of this document can be verified by scanning this QR Code Through smart phone or on the website <https://egrashry.nhpc.in>

**THIS STAMP PAPER FORMING AN INTEGRAL PART OF
THISF.A.C.I.L.I.T.Y.....A.G.R.E.E.M.E.N.T.....
EXECUTED BY SH. ANUJ KAPOOR, EXECUTIVE
DIRECTOR FINANCE, NHPC LTD., ON 24-12-2024**

**AND SH. PRAVEEN GUPTA, CHIEF MANAGER, BANK
OF BARODA ON 24-12-2024**

कृते बैंक ऑफ बड़ोदा / For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कार्पोरेट वित्तीय सेवा शाखा, गुरुग्राम - 122001
Corporate Financial Service Br. Gurugram - 122001



FACILITY AGREEMENT

BETWEEN

NHPC LIMITED
As Company

AND

BANK OF BARODA
As Investor

FACILITY AGREEMENT

For Bank of Baroda / For Bank of Baroda


Chief Manager
Corporate & Financial Services Dept. - 122001
Corporate & Financial Services Dept. - 122001



Borrower
4166

THIS FACILITY AGREEMENT ("Agreement") is made at Faridabad, Gurgaon on this 24th day of December 2024 ("Execution Date") by and between:

NHPC LIMITED, a public limited company incorporated and registered under the Companies Act 1956 and an existing company within Companies Act, 2013, having its corporate identification number L40101HR1975GOI032564 with its registered office at NHPC office complex, Sector 33 Faridabad, Haryana-121003 (hereinafter referred to as the "Company", which expression shall unless it be repugnant to the context or meaning thereof, includes its successors and permitted assigns) of the FIRST PART:

AND

BANK OF BARODA, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its Head office at Baroda Bhawan, RC Dutt Road, Alkapuri, Baroda – 390007 in the state of Gujarat, India, AND one of its Corporate Financial Services Branch situated at ABW Tower, Unit No. 107-109, First Floor, MG Road, IFFCO Chowk, Gurugram – 122001, in the state of Haryana, in its capacity as Investor acting through its authorized officers (hereinafter referred to as the "Investor", which expression shall, unless repugnant to the subject, context hereof, include its successors and assigns) of the SECOND PART

The Company and the Investor shall individually be referred to as "Party" and collectively as "Parties" under this Agreement.

WHEREAS

A. The Company is a hydropower company in India and engaged in designing constructing and operating hydropower plants including Dulhasti Power Station set up on river Dulhasti in Kishtwar district of Jammu and Kashmir (the "PowerStation").

B. The Company has approached the Investor for securitization of its Free Cash (ROE) from the Dulhasti Power Station, and the Investor has agreed to make available to the Company the facility of an aggregate principal amount not exceeding BANK OF BARODA, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its Head office at Baroda Bhawan, RC Dutt Road, Alkapuri, Baroda – 390007 in the state of Gujarat, India, AND one of its Corporate Financial Services Branch situated at ABW Tower, Unit No. 107-109, First Floor, MG Road, IFFCO Chowk, Gurugram – 122001, in the state of Haryana, (the "Facility") for the Purpose (defined hereinafter).

C. Based on the representations and assurances of the Company, the Investor has agreed to provide the Facility to the Company and the Company has agreed to avail the Facility from the Investor on the terms and subject to the conditions contained in this Agreement and the other Facility Documents.

NOW THEREFORE, in consideration of the premises and mutual agreements and covenants contained in the Agreement and other good and valuable consideration (the receipt and adequacy of which is hereby mutually acknowledged), each of the Parties hereby agree as follows-

1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

In addition to the terms defined in (i) the recitals to the Agreement; (ii) elsewhere in the Agreement, the capitalized terms shall have the meanings set forth in Schedule III hereto.

2. THE FACILITY

2.1 Facility

Subject to the terms and conditions of the Agreement and upon issuance of a duly completed Drawdown Notice in the manner set out in clause 4 of the Agreement, Investor agrees to make available to the Company, the Facility in accordance with the terms of the Agreement.

2.2 Purpose

कृते बैंक ऑफ़ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कोर्पोरेट वित्तीय सेवा शाखा, गुरुग्राम -122001
Corporate Financial Service Br. Gurugram - 122001



Borrower
4167

2.2.1 The Company hereby undertakes that the Facility shall be utilized, by the Company to meet out the CAPEX requirement of the company including recoupment of CAPEX already incurred.

2.2.2 The Company agrees to furnish a certificate from its auditors regarding the utilization of funds disbursed and such certificate shall be furnished to the Investor within sixty (60) Business Days of Disbursement of the Facility.

2.3 Availability

- The Facility shall be available for Disbursement on the Drawdown Date set out in a Drawdown Notice,
- Disbursement shall be done in one/more tranches in the FY 2024-25.
- The borrower shall inform two working days in advance before the disbursement.

2.4 Security

The Secured Obligations shall be secured by the below mentioned security created/to be created in favour of the Investor, in the form and manner acceptable to the Investor:

a first charge by way of hypothecation over the Escrow Account of the Company, established/to be established in accordance with the Escrow Account Agreement ("Security")

The Security stipulated in Article 2.4 (i) shall be created on or before the initial Drawdown Date.

The Company shall forthwith, and in no event later than 30 (thirty) days from the date of execution of the relevant Security Document(s) or shorter period, if any, provided under the Applicable Laws, file particulars of the charges created under the Security Document with the relevant Registrar of Companies by filling Form CHG-1 and paying such fees as may be prescribed

The Company shall promptly provide evidence of filing of CHG-I, including copy of CHG 1, along with annexures, Challan, charge certificate, etc. in favour of the Investor and all details in relation to registration of the charge in favour of the Investor.

The Company shall take all necessary actions and provide necessary assistance to the Investor for filing/registration of the Security Document and the charge created thereunder with Central

Registry of Securitization Asset Reconstruction and Security Interest of India, forthwith upon execution of the Security Document and in any event not later than 10 (ten) Business Day from the execution of such Security Document.

3. CONDITIONS PRECEDENT

3.1 Conditions Precedent to the Facility

Notwithstanding any other provision hereof, the Investor shall not be obligated to make a Disbursement of the Facility, pursuant to a Drawdown Notice, unless the Company has satisfied the Conditions Precedent as set out in Schedule IV hereto or waived by the Investor in its sole discretion and no Event of Default has occurred. The satisfaction of any Condition Precedent in this clause by the Company may be waived by the Investor, in writing, at its sole discretion, following a written request from the Company setting out (a) the Condition(s) Precedent in respect of which Company seeks a waiver, and (b) the reasons for seeking such waiver.

4. DRAWDOWN

The Facility shall be drawn by the Company in a single tranche/multiple tranches as agreed by the Investor, by providing a notice in the form set out in Schedule V ("Drawdown Notice") after the satisfaction or waiver of all the Conditions Precedent, as the case maybe.

5. REPAYMENT OF FACILITY, INTEREST PAYMENTS

5.1.1 The outstanding principal of the Facility shall be repaid in structured instalments, in accordance with the Amortization Schedule set forth in Schedule VII hereto out of the Fixed Component Payment (defined hereinafter) payable by the Company on monthly basis. It is clarified that the first Fixed Component Payment shall be payable on the First Fixed Component Payment Date. Subsequent payments of the Fixed Component Payment shall be made on Subsequent Fixed Component Payment Date(s).

कृते बैंक ऑफ बरोडा / For Bank of Baroda

मुख्य अधिकारी / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, गुन्नाग्राम - 122701
Corporate Financial Service Br. Gunnam - 122701



Borrower
4168

5.1.2 Interest

(a) The Interest shall be Effective Discount Rate to be paid, on monthly basis on every Interest Payment Date(s), out of the Fixed Component Payment payable by the Company on monthly basis.

(b) Interest for the break period in the month of Disbursement shall be payable at the Effective Discount Rate, by depositing the required amount in the Escrow Account, 2(two) days prior to the Interest Payment Date. It is clarified that in case the Disbursement takes place on the first day of the month, Interest shall be payable out of the Fixed Component Payment to be deposited by the Company 2(two) days prior to the Interest Payment Date in the Escrow Account.

(c) The Benchmark Rate shall reset after every three months in accordance with Quoted Benchmark Rate i.e. 1 years G-Sec rates.

5.1.3 The Company shall be liable to make Additional Payment (defined hereinafter) at such intervals, as may be required, as per the terms of this Agreement.

5.1.4 Liquidated Damages on Defaulted Amounts

(a) In case of default in crediting/paying the Fixed Component Payment and Additional Payment on their respective Due Dates, except Liquidated Damages (the "Defaulted Amounts") the Company shall pay to the Investor, liquidated damages/Penal charges at the rate of 2% (Two Percent) per annum, plus applicable Taxes (the "Default Interest Rate") on the Defaulted Amounts ("Liquidated Damages"). The Liquidated Damages shall be payable on demand and in the absence of any such demand on the next Due Date occurring after the date of default.

(b) Liquidated Damages shall be payable for the period commencing from the date of such default as set out in paragraph (a) above till the time such default continues and is not remedied to the satisfaction of the Investor.

(c) The Company acknowledges that Liquidated Damages under this Agreement, are reasonable and represent a genuine pre-estimate of the loss likely to be suffered and incurred by the Investor.

6. REPRESENTATIONS AND WARRANTIES

6.1 By executing the Agreement, the Company makes the Company's Representations and Warranties to the Investor.

6.2 The Company's Representations and Warranties are deemed to be made by the Company on and by reference to the facts and circumstances then existing on (i) the Execution Date and (ii) each Drawdown Date.

7. COVENANTS

During the currency of the Facility, the Company agrees to abide by and ensure continued compliance with the covenants as more particularly laid down in Schedule VI of this Agreement.

8. ASSIGNMENT

The Investor reserves the right to assign its rights and obligations herein in favor of a new investor, provided that such new investor was identified as an eligible investor in terms of the Bid Documents. The Company is not entitled to assign any of its respective rights or obligations under any of the Facility Documents, without the consent of the Investor.

9. TERMS AND CONDITIONS OF TERMINATION

9.1 Term

This Agreement shall come into force from the Execution Date and the Agreement shall continue to be in force unless terminated in accordance with the provisions of clause 9.3 below or upon repayment of the Facility in accordance with the provisions contained in clause 5 hereof.

कृते बैंक ओक बडौदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, गुरुग्राम - 122001
Corporate Financial Service Br. Gurugram - 122001



Borrower
4169

9.2 Events of Default

The occurrence and/ or continuance of any one or more of the following events shall constitute a default under the Agreement (each such event being herein referred to as an "Event of Default") -

- Failure of the Company to credit the Free Cash amount i.e Rs. 33.08 Crore into the EA on the Due Date.
- Failure to pay any sum when due under the Facility documents.
- Any final execution or distress order being enforced or levied against the Power station and any order relating thereto is not discharged or stayed within the Bank's prescribed timeline.
- Breach of any covenant, warranty, undertakings or any other obligation under the Facility Documents
- Breach of any terms and conditions of the financing documents.
- Filing of any insolvency petition against the Borrower by any operational or financial creditor which has not been quashed or withdrawn within the Bank's prescribed timeline.
- Default by the Borrower in any of its credit facilities from any lender/bank/FI (Cross default).
- Representation or warranty found to be untrue or misleading when made under the Facility documents
- Revocation, termination or suspension of a material license, which has a material adverse effect on the business of the Borrower.
- Insolvency and related events
- Cessation of business.

9.3 Termination:

In case of occurrence and continuance of any of the events described above or in Clause 9.2 of this Agreement or if the Company has not availed the Facility before the availability period, then in such event, the Investor may, by notice in writing to the Company, terminate the right of the Company to make withdrawals. Upon such notice, the undrawn amount of the Facility shall stand cancelled.

10. CUMULATIVE RIGHTS

10.1 For greater certainty, it is expressly understood and agreed that the rights and remedies of the Investor under the Agreement, the other Facility Documents or under any document or instrument executed pursuant hereto or thereto, are cumulative and are in addition to and not in substitution of the Investor's rights or remedies provided by Applicable Law or by equity and any single or partial exercise by the Investor of any right or remedy for a default or breach of any term or condition contained in the Agreement, the other Facility Documents or any other document or instrument executed pursuant hereto or thereto, shall not be deemed to be a waiver of or to alter, affect or prejudice the right or remedy or other rights or remedies to which the Investor may be lawfully entitled for such default or breach. Any waiver by the Investor of the strict observance, performance or compliance with any term or condition herein contained and any indulgence granted either expressly or by course of conduct of the Investor shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Investor under the Agreement, the other Facility Documents or any document or instrument executed pursuant hereto or thereto, as a result of any other default or breach hereunder or thereunder.

10.2 Consequences of Default

Upon and at any time after the occurrence of an Event of Default, the Investor may-

- (i) by written notice to the Company, demand that all or part of the entire outstanding amount under the Facility and all other amounts payable under the Facility Documents be immediately due and payable; and/ or
- (ii) enforce its rights under the Facility Documents in the manner provided therein and in Applicable Law; and/or
- (iii) issue a notice to the Escrow Bank to draw on any margins and balances in the Escrow Account / instruct the Escrow Bank to ensure that no withdrawals/transfers take place from the Escrow Account.
- (iv) If NHPC makes default in payment of the said Dues or any part thereof, the Investor would be at liberty (but not bound to do so) to appoint its nominee as Receiver without having resort to a Court of Law and/or to a proceeding in Court, to take possession of the properties of NHPC held/to be held by the Investor as security for the Loan hereunder or under any other security document(s) executed /to be executed by NHPC in favour of the Bank.

11. INDEMNITY

कृते बैंक ऑफ बड़ोदा/For Bank of Baroda
मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्त सेवा शाखा, मुम्बई - 400 001
Corporate Financial Service Br. Mumbai - 400 001



Borrower
4170

The Company undertakes (without limiting any other remedy of the Investor under the Facility Documents or in any other way, including their right to damages in respect of a claim for breach of any of the representations or warranties on any other basis) to defend, indemnify and hold harmless the Investor and their respective officers, directors, employees, affiliates, advisors, agents and controlling Persons (each, an "Indemnified Party") from and against any and all losses, claims, liabilities, damages and expenses, joint or several relating to the transactions in the Facility Documents, the occurrence Event of Default and/or any other Indemnified Party acting on their behalf.

12. TAXES; REPORTING REQUIREMENTS

12.1 Tax gross up and Indemnities

12.1.1 Tax gross-up

(i) All payments to be made by the Company to the Investor under the Facility Documents shall be made free and clear and without any deduction or withholding for or on account of Tax, save and except for any tax on income of the Investor ("Tax Deduction") unless the Company is required to make a Tax Deduction Applicable Law, in such case the sum payable by the Company (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Investor receives a sum net of any deduction withholding equal to the sum which it would have received had no such Deduction been made or required to be made;

(ii) If the Company is required to make a Tax Deduction, the Company shall make Tax Deduction and make any payment required in connection with that Deduction within the time allowed and in the minimum amount required Applicable Law; and

(iii) Within thirty (30) days after the due date of payment of any Tax or other amount which it is required to pay, the Company shall deliver to the Investor evidence such deduction, withholding or payment and of the remittance thereof to relevant taxing or other authority.

12.1.2 Tax indemnity

If the Investor is required to make any payment on account of Tax other than income payable by the Investor or in relation to any sum received or receivable under any Facility Document or if any liability in respect of any such payment is asserted, imposed, levied assessed against the Investor, Company shall, within three (3) calendar days of demand the Investor, promptly pay the Investor the full amount of such payment or liability together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this clause 12.1.2 shall not apply to any Tax imposed on calculated by reference to the net income actually received or receivable by the Investor.

13. GOVERNING LAW AND DISPUTE RESOLUTION

13.1 This Agreement shall be governed and construed in accordance with the laws of India

13.2 The courts, tribunals at Faridabad shall have an exclusive jurisdiction in respect of all matters arising out of / in relation to this Agreement.

14. Prepayment

14.1 Prepayment is allowed fully and / or partially with 30 days' notice after 12 months from the disbursement of last tranche

14.2 The prepayment charges shall be NIL

15. MISCELLANEOUS

15.1 Further Assurances

Each Party shall co-operate with the other Party, execute and deliver to the other Party such instruments and documents and take such other actions as may be reasonably requested from time to time in order to carry out, evidence and confirm their rights and the intended purpose of the Agreement.

15.2 Notices

All notices, requests, consents, demands or other communication required or permitted to be given under the

कृते बैंक ऑफ बड़ौदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, गुणवत्ता - 122001
Corporate Financial Service Br. Gurukulam - 122001



Borrower
41/1

Agreement and the provisions contained herein shall be written in English and shall be sent by registered post, postage prepaid, or transmitted by facsimile transmission or couriered to the other Party at the address indicated below-

In the case of notices to the Company, to:

Address : NHPC Limited
NHPC Office Complex, Sector-33, Faridabad,
Haryana-121003
Attention : Anuj Kapoor, Executive Director (Finance)
Phone Number : 7310974337
E-mail : nhpcbondsection@nhpc.nic.in

In the case of notices to the Investor, to:

Address : Corporate Financial Services Branch situated at
ABW Tower, Unit No. 107-109, First Floor, MG
Road, IFFCO Chowk, Gurugram
Attention : Dy. General Manager & Branch Head
Phone Number : 0124-4063343
E-mail : cfsgur@bankofbaroda.com

or at such other address as the Party to whom such notices, requests, demands or other communication is to be given shall have last notified the Party giving the same in the manner provided in this clause, but no such change of address shall be deemed to have been given until it is delivered or deemed to be delivered in accordance with this clause 15.2.

Any notice, request, demand, or other communication delivered to the Party to whom it is addressed as provided in this clause 15.2 shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if-

- (i) sent by mail, five (5) calendar days after posting it;
 - (ii) sent by courier, when received at the Party's physical address; and
 - (iii) sent by facsimile when confirmation of its transmission has been recorded by the sender's facsimile machine.
- If sent by e-mail, when it is sent provided the sender does not receive an "undeliverable" message (if sent during business hours) or (if not sent during business hours) at the beginning of business hours next following the time of sending of the e-mail.

15.3 Waivers and Acknowledgements

The Company hereby waives any right to terminate or revoke the Agreement until the Facility and interest thereon, fees, costs, charges, and all other amounts owed by and all other present and future obligations and liabilities under or in respect of the Facility Documents have been fully paid to the Investor.

15.4 Severability

If, at any time, any provision of the Agreement is or becomes illegal, invalid, or unenforceable in any respect, neither the legality, validity or enforceability of the remaining provisions will in any way be affected or impaired.

15.5 Amendments

No modification, alteration, or amendment of the Agreement or any of its terms or provisions shall be valid or legally binding on the Parties unless made in writing and duly executed by or on behalf of the Parties.

15.6 Entire Agreement

The Agreement along with other Facility Documents constitute and represent the entire Agreement between the Parties with regard to the rights and obligations of each of the Parties and supersedes all prior arrangements, agreements, or understandings, if any, whether oral or in writing, between the Parties on the Facility hereof or in respect of matters dealt with herein.

कृते बैंक ऑफ़ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, गुरुग्राम -122001
Corporate Financial Service Br, Gurugram -122001



Borrower
41/72

SIGNED AND DELIVERED BY within named the Company, NHPC Limited, by the hand of its authorized official.



Name: Mr. Anuj Kapoor
Designation: Executive Director, Finance

SIGNED AND DELIVERED BY within named the Investor, Bank of Baroda, by the hand of its authorized official.

Name: Mr. Praveen Gupta
Designation: Chief Manager, Bank of Baroda



कृते बैंक ऑफ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, मुद्रामण्डल -122002
Corporate Financial Service Br. Gandhinagar -122002



Borrower
41/5

**SCHEDULE I
PARTICULARS OF THE FACILITY**

Name of the investor (1)	Amount of facility in INR Crore (2)
Term Loan/ Monetization facility	Rs. 2348,44,67,733/-
Total	Rs. 2348,44,67,733/-

**SCHEDULE II
Investor's Sanction Letter
(to be annexed)**

Particulars	Proposed Terms
Facility	Term Loan/ Monetisation facility
Amount of Securitization Facility	Rs. 2348,44,67,733/-
Disbursement	Disbursement can be done in one or more tranches in FY 2024-25.
Securitization facility	<ul style="list-style-type: none"> NHPC receives an ROE of about INR 396.96 Crore per year from its Dulhasti Power Station. NHPC proposes to monetize the Free Cash component of Dulhasti Power Station by securitization for next 8 years where Free Cash is equal to return on equity (ROE) component of annual fixed charge (AFC)
Amount of Securitization facility	<ul style="list-style-type: none"> Securitization Facility shall be computed by discounting the monthly Fixed payout of Free Cash aggregating to INR 396.96 Crore in a year at the Discounting Rate quoted by the bank. Amount of securitisation to be calculated by discounting value of Annual Free Cash of Rs. 396.96 Crore (repayable to the Bank in equal monthly amounts over a period of next 8 years) at the Discounting Rate (DR) quoted by the Bank, as per the formula given below. The same shall be the Securitization Facility amount to be availed from the Bank. $P = M [1 - \{1/(1+(r/12)) ^n\}]/(r/12)$ <p>where: P = Amount of Securitization Facility M = Monthly Free Cash (i.e., INR 33.08 Crore) r = Discount Rate to be quoted (p.a.) n = Number of monthly amounts (i.e. 96)</p>
Payout to Bank by NHPC	<ul style="list-style-type: none"> Fixed Component: Free Cash of INR 33.08 Crore per month (Rs. 396.96 Crores in a year) shall be credited into the Escrow Account (EA) on monthly basis starting from the month next to the month of disbursement for payment of dues towards Securitization facility raised (comprising of interest calculated on the basis of quoted Discount Rate on reducing balance basis and balance amount shall be applied towards redemption of Securitization Facility), if the disbursement is not made on first day of month. in such case, the applicable interest component based on the quoted Discounting Rate for the break period in the month of disbursement shall be paid by the Company. In the event whereby disbursement is made on first day of the calendar month, then monthly fixed payout shall be on the last calendar day of the month of the disbursement and in such case, no break period interest shall be applicable. In case the disbursement happens in two tranches then free cash amount of INR 33.08 Crore gets prorated accordingly. For illustration, if disbursement happens in two equal tranches say on 1st September 2024 and 15th October 2024, then for the month of September 2024 and October 2024, Monthly Free Cash will be INR 16.54 Crores. From November 2024, Monthly Free Cash shall be INR 33.08 Crores till August 2032. For September 2032 and October 2032, the Free Cash shall be INR 16.54 Crore. However, interest at quoted discount rate for break period of 17 days i.e. from October 15, 2024, to October 31, 2024, on second tranche shall be payable by NHPC.

कृते बैंक ऑफ बडोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, गुणगाव, न.20, 20
 Corporate Financial Service Br. Gunagam - 392020



Borrower
4174

Particulars	Proposed Terms
	<ul style="list-style-type: none"> In case of any subsequent change of Discounting Rate due to change of applicable Benchmark Rate, any increase in monthly outflows on account of such reset shall be borne by NHPC by additional credit to EA while in case of decrease in monthly outflows due to decrease in Benchmark Rate, then the Fixed Component shall be reduced accordingly and same shall be credited to the EA. No other charges, fees etc. shall be payable, unless otherwise provided in this document other than the monthly Fixed Payout.
Purpose	To meet out the CAPEX requirement of the company including recoupment of CAPEX already incurred.
Availability period	Up to 31.03.2025. The sanctioned amount shall be drawn in single or multiple tranches
Rate of Interest (ROI)	ROI to be linked with 1 Yr G-Sec Par Yield (Annualized) Note: <ul style="list-style-type: none"> The first applicable interest rate shall be calculated based on benchmark rate one day before the first disbursement plus quoted spread. Benchmark rate shall be considered on T-1 basis for reset purpose, whereby T is the date of reset. If benchmark rate is not available on T-1 basis, the previous available day's benchmark shall be considered. Rate quoted on the date of bidding (i.e. 7.90% p.a.) shall be applicable till the date of 1st reset. Quoted Spread of 1.07% shall remain unchanged throughout the tenor of the loan. G-SEC rate (external benchmark) to be reset every 3 months on the first day of each calendar quarter.
Reset mechanism	<ul style="list-style-type: none"> The discounting rate shall be set/reset every 3 months based on benchmark rate one day before the first disbursement plus quoted spread, if any. This rate shall be applicable till the date of first reset. The interest rate shall be reset based on the quoted benchmark which is explained as under: - The first reset shall take place on the first day of the month following completion of the quarter in which first disbursement takes place. For example, in case the drawl date is 01.10.2024, the first applicable interest rate shall be calculated based on benchmark rate as on 30.09.2024 plus quoted spread, if any. In case, 30.09.2024 happens to be a holiday, then rate available on previous working day shall be applicable. Further, the first reset shall take place on 01.01.2025 based upon the benchmark rate on one day prior to reset date plus quoted spread, if any. If the benchmark rate is not available on the said date, then benchmark rate of previous working day shall be considered. Thereafter reset will take place after every three months in the same manner. Benchmark Rate shall be considered on T-1 basis for reset purpose whereby T is the date of reset. If Benchmark Rate is not available on T-1 basis, the previous available day's benchmark shall be considered.
Processing charges/ Review charges	Nil
Documentation charges	Nil
Inspection charges	Nil
Escrow Account charges	Nil
Escrow Account (EA)	<ul style="list-style-type: none"> NHPC shall credit required Fixed Component on the Due Date whereby Due Date is defined as below: <ol style="list-style-type: none"> Fixed Component: NHPC shall credit Free Cash of INR 33.08 Crore per month in a dedicated EA, 2 days before the last day of each month, for exclusive payment to the Bank. If the said date is a holiday then NHPC shall credit the Free Cash on previous working day. In case the disbursement happens in two tranches then Free cash amount of INR 33.08 Crore gets prorated accordingly as per mechanism defined above.

कुले बैंक ऑफ इंडिया/For Bank of India
मुख्य प्रबन्धक / Chief Manager
कोर्पोरेट वित्तीय सेवा शाखा, मुंबई
Corporate Financial Service Branch, Mumbai



Borrower
41/5

Particulars	Proposed Terms
	<ul style="list-style-type: none"> • Additional credit to EA will be made by NHPC in case of additional interest payable for the break period (tranche wise). • Additional credit to EA will be made by NHPC in case of any increase in monthly outflows on account of change in respective Benchmark Rate, while in case of decrease in monthly outflows due to decrease in Benchmark Rate, then the Fixed Component shall be reduced accordingly and same shall be credited to the EA. <p>Therefore, inflows and outflows to EA may be defined as follows:</p> <p>Inflows:</p> <ol style="list-style-type: none"> a. Free Cash comprising of ROE component of Rs. 33.08 crore for Dulhasti Power Station b. Additional amount payable by NHPC in case of increase in monthly outflows on account of applicable Discounting Rate reset. c. Additional interest payable for the break period in case the disbursement in not made on the first day of the month. <p>Interest at b & c above shall be computed on an "actual/actual basis". In case of leap year, number of days shall be considered 366 (actual / actual day count convention) for whole leap year and leap year will be considered for a period of 12 months w.e.f. 1st January to 31st December i.e. Calendar year in which Feb of 29 days falls.</p> <p>Outflows:</p> <ol style="list-style-type: none"> a. Monthly Facility obligations due at the last day of each month. <p>The Operating Procedure for Escrow Account shall be as per the Escrow Agreement shared with this RFQ.</p>
Due Date	Amounts payable to the Lender shall be transferred from Escrow Account to the account of Lender 2 days before the last working day of each month.
End Use of TL	To meet out the CAPEX requirement of the company including recoupment of CAPEX already incurred. The company to submit end use certificate (Chartered Accountant) within a period of-90- days from the date of availment.
Tenor	Door to door tenor of 8 Years
Repayment	Facility shall be repaid in-96 -Equated Monthly Instalments.
Security	<p>Unsecured.</p> <ul style="list-style-type: none"> • However, First & exclusive charge on Escrow A/c opened by the Company for depositing the free cash by the company. • Negative Lien* on the fixed assets of the company. <p>*Negative Lien</p> <p>Except the charges and encumbrances already created on the assets (movable/immovable) by the Borrower for availing financial assistance, as disclosed in writing as of date by the Borrower, the Borrower shall not without prior written consent of the Bank:-</p> <ol style="list-style-type: none"> a) Create of permit to arise or subsist any mortgage, charge, pledge, lien encumbrance or security interest whatsoever over all or any of its undertaking, assets present or future (including uncalled capital) of the Borrower as security for any obligations now or hereafter existing in favour of any person, however, subject to following exceptions:- <ul style="list-style-type: none"> • The Borrower may create security interests on its assets to secure the issue of its secured long term bonds with a maturity in excess of one year. • The Borrower may create security interest on its assets to secure any rupee loan, the repayment of which is due within 12 months or less from the date of the said loan including working capital financing and • The Borrower may create security interest on its assets to secure any foreign currency borrowings from multilateral and bilateral agencies like IBRD,

कृते बैंक ऑफ बड़ौदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, गुंटगांव -122002
 Corporate Financial Service Br. Gunagam - 122002



Borrower
4176

Particulars	Proposed Terms
	JBIC, KFW etc. b) Sell, transfer or otherwise dispose of, by one or more transactions or series of transactions (whether related or not) the whole or any substantial part of its fixed assets, the book value of which is 25% or more of the book value as shown in the latest audited financial statements of the Borrower
Transaction Documents.	Financing Documents shall include, but not limited to the following: a) Sanction Letter for securitization facility. b) Facility Agreement. c) Escrow Agreement. d) Security Documents if any e) Any other agreements that are required to be executed in relation to the Facility
Prepayment	Allowed fully and / or partially with 30 days' notice after 12 months from the disbursement of last tranche.
Prepayment charges	NIL, allowed fully and/or partially with 30 days' prior notice after 12 months from the disbursement of last tranche.
Penal charges	The Company shall pay liquidated damages/ penal charges at the rate of 2% p.a. along with the interest for the default period at the discounted rate applicable in the quarter on the defaulted amount, in the event of any default of depositing Free Cash amount into the EA on the due dates, for the period of such default.
Event of Default	Bank shall have the right to call an event of default on the occurrence of any of following events. To include the following: <ul style="list-style-type: none"> • Failure of the Company to credit the Free Cash amount i.e Rs. 33.08 Crore into the EA on the Due Date. • Failure to pay any sum when due under the Facility documents. • Any final execution or distress order being enforced or levied against the Power station and any order relating thereto is not discharged or stayed within the Bank's prescribed timeline. • Breach of any covenant, warranty, undertakings or any other obligation under the Facility Documents • Breach of any terms and conditions of the financing documents. • Filing of any insolvency petition against the Borrower by any operational or financial creditor which has not been quashed or withdrawn within the Bank's prescribed timeline. • Default by the Borrower in any of its credit facilities from any lender/bank/FI (Cross default). • Representation or warranty found to be untrue or misleading when made under the Facility documents. • Revocation, termination or suspension of a material license, which has a material adverse effect on the business of the Borrower. • Insolvency and related events • Cessation of business Consequences of Event of Default: Upon the occurrence of Event of Default, the Bank may exercise any one or more of the following rights: <ul style="list-style-type: none"> • Accelerate the payment of outstanding amount of Facility. • The Bank at any time after the occurrence of an event of default under the Facility Letter(s)/ Agreement(s), the Bank may have a receiver appointed in respect of the Hypothecated receivables or any part thereof. • Draw on any margins available and balances in the Escrow account under lien to the Bank. • Take any other action under existing financing documents or applicable laws.
Governing Law	Indian Law and subject to jurisdiction in the Indian courts. The scheme of Governing Law shall be as detailed in the Facility Agreement.
Expenses/ Reimbursements	Expenses incurred for loan documentation / stamp duty charges / expenses towards site visit, if borne by the bank, shall be Reimbursed by NIIPC.
Disbursement and availability period.	<ul style="list-style-type: none"> • Disbursement shall be done in one/more tranches in the FY 2024-25 • The borrower shall inform two working days in advance before the disbursement.

कृते बैंक ऑफ़ बड़ोदा/For Bank of Baroda

मुख्य निदेशक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, मुम्बई - 400001
Corporate Financial Service Br. Mumbai - 400001



Borrower
4177

Particulars	Proposed Terms
Information Covenants	As customary for a facility of this nature and to include, without limitation, the following: <ul style="list-style-type: none"> Audited Annual Financials of the Borrower to be provided within 6 months of close of financial year. Company to inform within 15 days, any information which affects the Bank's Interest materially. The Company to inform the bank about any report/notice from Sales Tax, Income-Tax or any Government authority having material impact on the company, within 30 days of receipt.
Covenants	<ul style="list-style-type: none"> The borrower should maintain adequate books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank. The borrower should submit to the Bank such financial statements as may be required by the Bank from time to time in addition to the set of such statements to be furnished by the borrower to the Bank as on the date of publication of the borrower's annual accounts. In case of default in repayment of the loan/advances or in the payment of the interest thereon or any of the agreed instalments of the loan on due date(s) by the borrower, the Bank and/or the RBI will have an unqualified right to disclose or publish the borrower's name or the name of the borrower/unit and its directors/partners/ proprietors as defaulters/wilful defaulters in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit. The Bank will have the right to share credit information as deemed appropriate with Credit Information Companies (CICs) or any other institution as approved by RBI from time to time. Bank will have the right to examine at all times the borrower's books of accounts and to have the borrower's factories/unit inspected, from time to time, by officer(s) of the Bank and cost of such inspection shall be borne by the borrower. Effect any change in the borrowers capital structure where the joint shareholding of the existing Sponsors get diluted below 51%, bank will have right to recall the loan with prior notice of 30 days without penalty on borrower. The borrower will utilize the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines and terms of sanction. Delay in servicing of interest and instalment towards Term Loan will attract penal charges. The borrower shall keep the Bank advised of any circumstance adversely affecting the financial position of company. Company to endeavour to avail our Bank's BCMS facility for vendor payment/salary payments on best effort basis. Company to give chance to Bank of Baroda for other Banking Facility viz. Working capital/ Escrow account for free PPAs / Salary Accounts/Trade Credit products etc.
Financial Covenants	The company shall undertake to adhere to the financial covenant of maintaining minimum DSCR of 1.10 times and TOL/TNW within 4:1 during the currency of the loan. Testing shall be done based on audited financials till 30 th November that means 1 st testing shall be done on or before 30 th November, 2025 based on audited financials as at 31.03.2025. (In case of not meeting any of the above financial covenants the bank reserve right to change penal charge @ 2.00% p.a)
Default in Payment of dues	In case of default in payment of the dues by borrower, penal charges at the rate of 2% p.a. shall be paid on the delayed payment for the period of default.
Inspection	Inspection of the Dulhasti Power Plant/Hydro project shall be conducted once in - 6-months till disbursement and thereafter on yearly basis. Expenses incurred towards journey (to and fro) shall be borne by the company on actual basis.
Insurance	Company provide a management certificate certifying that project assets of

कृते बैंक ऑफ़ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, मुम्बई - 400001
Corporate Financial Service Br. Mumbai - 400001



Borrower
4178

Particulars	Proposed Terms
	Dulhasti Power Station are adequately insured.
Other charges/ expenses/ fees etc.	Stamp duty, as applicable, on the Credit Facility documents, shall be borne and paid by the borrowing company.

Pre-Disbursement Conditions:-

The availability of the Facility shall be subject to satisfaction of the following conditions/submission of following documents –

- 1) The Company, through its directors/ authorized signatories are to accept all terms & conditions of the sanction i.e. unconditional acceptance.
- 2) The Company to submit Copy of Board Resolution for the proposed borrowing, as well as for the execution of documents and persons authorized for executing the Documents
- 3) NHPC to undertake to deposit monthly instalment amount till the currency of the loan. In case of any shortfall, company to arrange additional funds from their own sources.
- 4) The prescribed documents to be executed, valid & enforceable charge to be created on the stipulated securities and the same to be vetted by the legal Department / cell of the bank. Discrepancies if any, to be rectified.
- 5) Bank/Branch will register bank's charge with central registry, as per guidelines.
- 6) Company to ensure that all stipulated charges over the assets of borrower are to be registered with the Registrar of the Companies (ROC) if applicable. The Bank will obtain search report from ROC and to ensure that all our stipulated charges are duly registered.
- 7) The company to comply with the provisions of Sec 180(1) (a) & (c) of Companies Act, 2013 regarding statutory limit on borrowing power of the company.
- 8) The Company to provide a certified copy of the resolution passed by the Company in annual general meeting u/s 180(1)(a) and 180(1)(c) of the Companies Act 2013 empowering Board of Directors of the Company to borrow moneys in excess of the aggregate of the paid up capital and free reserves of the Company if applicable.
- 9) Disbursement authority shall be obtained from the competent authority after compliance of terms and conditions of the sanction.
- 10) Submission of such documentation and other evidence pertaining to Borrower / their Directors as requested by the Lenders to conduct any "Know your customer (KYC)" or other similar procedures under applicable law.
- 11) Bank will carry out the inspection of project's site Dulhasti Power Station and satisfy upon, and Company to facilitate the same.
- 12) The company shall submit a declaration that none of the directors of the company is related to any director of our Bank / any other Banking company.
- 13) The Borrower shall submit an undertaking that the proceeds of instant facility shall not be utilized for the followings:
 - Capital market activities including subscription/ purchase of shares.
 - Repayment of dues of promoters/ group companies.
 - Extending loans to associate/ group companies.
 - In real estate business activities.
 - Any other purpose prohibited by RBI/FEMA.
 - Any other speculative business/ purposes/ activities
 - Unsecured loans/ inter-corporate deposits by company to/ in any company
 - Investments, both of current & long-term nature, in any company/entity by way of shares, debentures etc.
- 14) The company to submit a certificate from CA/Management certifying that the DE ratio of 70:30 is maintained at the time of recoupment/reimbursement.
- 15) The company to submit a certificate from CA/Management certifying that the Capex for which the reimbursement is sought, has been incurred within -18- months prior to sanction or application till the date of 1st disbursement.

Other Terms & Conditions:-

- The borrower is required to submit CA certificate confirming the end use, informing the project/s where funds have been deployed within -90- days from each disbursement.
- The borrower shall submit financial statements within-30-days of its audit to the Bank.
- The borrower shall keep the bank advised of any circumstances adversely affecting the financial position of the subsidiary company (ies) if any, including any action taken by any creditor against the subsidiary company (ies).
- All the stipulated charges over the assets of the borrower shall be registered with the Registrar of the Companies (ROC) and CERSAI as per the stipulated guidelines.
- Company to obtain external credit rating from any of the RBI's approved External Credit Rating Agencies for fresh credit facilities extended by Bank and submit a copy of the same to Bank within -90-days from

कुले बँक अफ बड़ौदा/For Bank of Baroda

मुख्य अधिकारी / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, गुजरात - 392001
 Corporate Financial Service Br. Surcharge - 392001



Borrower
 4179

the date of first disbursement.

- The Company should keep the Bank informed of the happening of any event likely to have substantial effect on its profits or business. If, for instance, the monthly production or sales are substantially less than what had been indicated to the bank, the company should inform the banks accordingly with the reasons therefore and the remedial steps taken.
- The Company should maintain adequate books of accounts as per the applicable accounting practices and standards.
- All money advanced / to be advanced by the Bank will be utilized exclusively for the purpose set forth in application submitted to the Bank/ sanction letter of the Bank. In case, the advance is utilized or attempted to be utilized for any other purpose or if the Bank apprehends or has reasons to believe that the said loan is being utilized for any other purpose, the Bank shall have the right to recall the entire or any part of the loan / advance forthwith without assigning any reason thereof.
- In case of any default in the repayment of the loan or interest, the Bank and / or RBI will have an unqualified right to disclose or publish the name of the company / directors / guarantors as defaulter in such manner and in such medium as the Bank or the RBI in their absolute discretion may think fit.
- Company will keep the Bank informed of the happening of the event that is likely to have substantial effect on its profit / business or any circumstance adversely affecting its financial position.
- Penal charges will be levied for the default period in the below mentioned manner in case of the following irregularities:
 - 1) Delayed payment of dues including Principal, interest, service charges, bills overdue - 2% p.a. on the amount of default.
 - 2) Delay in submission of Audited Financial Statements - 1% p.a. on the outstanding balance of credit facilities of the borrower for the default period. Penal charge shall be levied for the actual days of default.
 - 3) Penal charges for non- submission of all the required financial papers/ other documents/ any relevant information before one month review due date of the borrower's account/s - 1% p.a. on the outstanding balance of credit facilities of borrower till date of submission.
 - 4) Non-compliance in carrying out of External Credit Rating of our eligible exposure - 1% p.a. on the outstanding balance of credit facilities of borrower for the default period.
 - 5) Breach in Financial Covenants as per sanction terms & condition - 1% p.a. on the outstanding balance of credit facilities of borrower for the default period.
 - 6) Non-Submission of documents as per sanction terms - 1% p.a. on the outstanding balance of credit facilities of borrower for the default period.
 - 7) Non-compliance in security perfection as per sanction terms - 1% p.a. on the outstanding balance of credit facilities of borrower for the default period.
 - 8) Any other breaches/ non- compliance in material terms of sanction -1% p.a. on the outstanding balance of credit facilities of borrower for the default period.
 - 9) If a borrower has submitted the required financial papers/ documents/ information required for renewal/ review of the account within the specified timeline and the renewal/ review is pending at the Bank's level, no penal charges will be imposed in such circumstances.
 - 10) Penal charges are to be applied solely to overdue payments (instalments and/or interest/service charges etc.) for the period they remain unpaid beyond their due date. Penal charges will be calculated based on the actual number of days of default but will be debited on a monthly basis.
 - 11) GST on penal charges will be applicable as per the extant guidelines of the Bank.
 - 12) Additional penal charges cannot be levied on the earlier outstanding amount of penal charges
- The advance made available under the above mentioned facilities are repayable as per the terms & conditions of these facilities granted, at the discretion of the Bank, are subject to change from time to time, in the event of default.
- The Bank reserves the absolute right to unconditionally cancel / withdraw/recall the credit facilities (Partially/ fully) in case of default. Besides, the bank may modify or amend the terms & conditions of advances with mutual consent of both the parties.
- The Bank reserves the right to withdraw/modify or amend the terms and conditions of advance and bank would not be bound to disburse full amount of advance in the event of any failure on the part of the borrower in satisfying any of the terms and conditions stipulated.
- The rate of interest, margin and other charges are subject to change as per RBI's directives from time to time.
- All concessions granted in the account are, inter-alia, subject to submission of external credit rating. The Bank is at liberty to withdraw all concessions for non-submission / non - renewal/ downgrading of the external credit rating.
- The compliance of RBI / Bank's guidelines for funding under the Multiple Banking arrangement including exchange of information at prescribed intervals shall be carried out by the Bank.
- The sanctioned credit facilities are subject to annual review. Renewal papers i.e. renewal request with

कृते बैंक ऑफ बड़ौदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कार्पोरेट वित्तीय सेवा शाखा, गुजरात - 392001
Corporate Financial Service Br., Baroda - 392001


Borrower
4180



latest audited / provisional financials etc. should be submitted before -3- months of the due date of the review or within -7- months from the date of close of financial year of the company, whichever is earlier.

- Applicable taxes in any form, shall be payable by the company over and above the stipulated charges, fee and interest.
- Search report from ROC for charges registered and DIN / Master Data shall be obtained at the cost of the company to ensure that all our stipulated charges are duly registered.
- The existing lenders shall be put on notice about our Bank's sanction/ security structure.
- The Company shall furnish information with regard to Debt profile as per RBI guidelines.
- The company shall furnish an Undertaking letter to adhere to the financial covenant of maintaining minimum DSCR of 1.10x times and TOL/TNW within 4:1 during the currency of the loan.
- An undertaking/declaration to be obtained from the company as under:
 - 1) That the company/its directors/guarantors/associate concerns of the company are not related to any director of our bank or other bank.
 - 2) That the company/its directors/promoters/guarantors/associate concerns of the company are not in ECGC Caution List/SAL, CIBIL Suit Filed List, CIBIL Non Suit Filed List and RBI defaulter list.
 - 3) That the Company shall not induct into its board a person whose name appears in the 'willful defaulters' lists of RBI/ CIBIL/ECGC (other than nominee/ professional/ honorary director). In case such a person is already on the Board of the company, it would take expeditious and effective steps for removal of such person from its Board and suitably.
 - 4) That the bank without prior information to the company can give names and other details of the company/its directors/promoters to CIBIL, other banks, RBI and ECGC for their publication etc, in case of default.
- In case of payment default in the account, bank have right to refer the account to NCLT or initiate other measures for recovery including change of management of the borrower company, in line with extant RBI guidelines.
- In case of default or in event of diversion or siphoning off or utilizing the credit facilities for any other purpose other than for which it is granted, the bank and/or the Reserve Bank of India will have an unqualified right to disclose or publish the names of the company/its directors/ promoters in such manner and through such medium as the bank and/or RBI or such other agency authorized by them in their absolute discretion they may think fit.
- The company shall pay or reimburse all costs, charges, expenses (including charges between the attorney or counsel and bank and those of our internal legal advisor/ officer and other experts, consultants or professionals), taxes, fees, stamp duties etc whatsoever, incidental to or arising out of the facilities, their negotiation, the preparation, execution, registration and stamping of documents relating thereto, the preservation and protection of our rights and interest and enforcement or realization of any security or any demand or any attempted recovery of the amounts due from Company with mutual agreement.
- Bank shall be entitled to debit the amounts of all costs, charges and expenses to your account and such amounts shall stand secured by all securities given to or created in our favour in connection with the facilities. The company indemnify and keep us fully and completely indemnified from time to time against liabilities including all costs, charges and expenses stipulated herein where debited to your account or not.
- The company to provide KYC documents of the directors and authorized signatories.
- The sanction shall be valid upto 31.03.2025, if not availed of within stipulated period, will lapse and will required revalidation by the competent authority.
- The Company to provide any other information as sought by the lender, if any.

श्री बैंक ऑफ़ फ़रिदाबाद/For Bank of Faridabad

मुख्य अधिकारी / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, गुम्नाम - 121002
Corporate Financial Service Branch, Guzman - 121002



Borrower
4181

**SCHEDULE III
DEFINITIONS AND INTERPRETATION**

"Abandonment"	shall mean withdrawing or giving up of the Power Station by the Company and shall include cessation or suspension of performance of obligations by the Company in respect of the whole or any part of the Power Station. The term "Abandon" shall be construed accordingly.
"Act"	shall mean the Companies Act, 2013, along with all applicable rules and regulations framed in connection therewith, as amended from time to time.
"Additional Payment"	shall mean the additional amount payable by the Company per month, over and above the RoE/Fixed Component Payment, in case the Effective Discount Rate is higher than the Quoted Discount Rate. Provided that in case the Effective Discount Rate is lower than the Quoted Discount Rate, the Fixed Component shall be reduced accordingly and same shall be credited to the EA.
"Amortization Schedule"	shall mean the schedule of repayment of the Disbursed Facility as set forth in Schedule VII.
"Applicable" Laws"	shall mean the laws of Republic of India.
"Auditor Certificate"	shall mean the certificate to be issued by the statutory auditors of the Company certifying the income booked in the previous 12-month period from the sale of secondary energy units from the Power Station.
"Benchmark Rate"	ROI to be linked with 1 Yr G-Sec Par Yield (Annualized) <ul style="list-style-type: none"> • The first applicable interest rate shall be calculated based on benchmark rate one day before the first disbursement plus quoted spread. • Benchmark rate shall be considered on T-1 basis for reset purpose, whereby T is the date of reset. If benchmark rate is not available on T-1 basis, the previous available day's benchmark shall be considered. • Rate quoted on the date of bidding (i.e. 7.90% p.a.) shall be applicable till the date of 1st reset. • Quoted Spread of 1.07% shall remain unchanged throughout the tenor of the loan. • G-SEC rate (external benchmark) to be reset every 3 months on the first day of each calendar quarter.
"Bid Documents"	Means the bid documents issued by Company in relation to the Facility.
"Business Day"	shall mean: in relation to the making of any Disbursement or cancellation of Facility, by a Investor, any day on which such Investor is required or authorized by law to be open for business in the place of its lending in relation to all other matters, a day (other than a Saturday, Sunday or a bank holiday) on which banks are normally open for business in Delhi.
Company representations and warranties"	means and refers to the representations and warranties as set out in Schedule VIII;
"Condition(s) Precedent"	means the conditions precedent specified in clause 3.1 which are required to be satisfied by the Company;
"Disbursement"	means the lending and release of Facility by the Investor to the Company on the Drawdown Date(s), in accordance with the terms and conditions contained in the Agreement;
"Disbursed Facility"	shall mean aggregate of all Disbursements from time to time.
"Drawdown Date"	means the Business Day on which the Disbursement of Facility shall take place following receipt by the Investor of a Drawdown Notice;
"Due Date"	shall mean and refer the following: for repayment of the Fixed Component Payment - the First Fixed Component Payment Date or the Subsequent Fixed Component Payment Date, as the case may be; and for payment of Additional Payment - the last day of the calendar month in which Effective Discount Rate is changed, and if such day is not a Business Day, then the Business Day immediately preceding such day.
"Effective Discount Rate"	shall mean at any relevant time, the Benchmark Rate plus the Spread.
"Escrow Account"	shall have the meaning specified in the Escrow Account Agreement.
"Escrow Account Agreement"	shall mean the escrow account agreement entered into or to be entered into between the Company, the Investor and the Escrow Bank.
"Escrow Bank"	shall have the meaning specified to it in the Escrow Account Agreement.
"Event of Default"	means any event specified as being an event of default under clause 9.2.
"Financial Year"	shall mean the accounting period commencing from April 1st of each year till March

कृते बैंक ऑफ बड़ोदा/For Bank of Baroda

प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, मुम्बई - 400001
Corporate Financial Service Br. Sarangpur - 422501

Borrower
4182



	31st of next year.
"First Fixed Component Payment Date"	shall mean the last date of the calendar month falling after the expiry of one month from the date of first Disbursement. Provided, in the event the Disbursement takes place on the first day of the calendar month, then the First Fixed Component Payment Date shall be construed as the last day of the month of Disbursement. For example, in case of Disbursement on first day of September 2024, first Fixed Component Payment will be payable on September 30, 2024, and if the disbursement takes on September 15, 2024, then first Fixed Component Payment will be payable on October 31, 2024.
"Facility Documents"	means collectively the Agreement, Sanction Letter, Escrow Agreement, Security Agreement and all other instruments, agreements and documents pertaining to or relating to the Agreement as amended, modified, varied, and supplemented from time to time and any other related document executed in relation to the Facility;
"Fixed Component Payment"	means the return on equity of INR 33.08 crore per month towards the repayment of the Facility and Interest thereon as detailed in Schedule VII.
"Governmental Approval"	means any material authorization, approval, consent, license or permit required from any Governmental Authority or pursuant to any Applicable Law;
"Interest"	shall mean interest on the outstanding Disbursed Facility payable by the Company to the Investor at the applicable effective Discount Rate.
"Interest Payment Date(s)"	shall mean the last day of each calendar month, and if such day is not a Business Day, then the Business Day immediately preceding such day.
"Material Adverse Effect"	shall mean an event or circumstance which has a material adverse effect on or a material adverse change in: <ul style="list-style-type: none"> • The financial condition, assets, operations, or business of the Company; or • The ability of the Company to perform its obligations under the Facility Documents; or • The validity, legality or enforceability of Facility Documents.
"Person(s)"	shall unless specifically provided otherwise mean any individual, corporation, partnership, association of persons, joint venture company, joint stock company, trust or government authority as the context may admit.
"Power Station"	shall have the meaning ascribed to it under Recital A
"Purpose"	means the utilization of the Facility for the purposes detailed in clause 2.2 of this Agreement in accordance with the Applicable Laws.
"Quoted Discount Rate"	shall mean the rate quoted by the Investor in response to the Bid Documents, that is 7.90% pa.
"Receivables"	shall mean the collectively the Fixed Component Amount and Additional Payment.
"Sanction Letter"	shall mean the sanction letter issued by the Investor dated 23.12.2024 bearing reference number CFSGUR/06/ADV/NHPC/2024-25/207, as amended from time to time.
"Security"	shall have the meaning ascribed to it under Clause 2.4 of this Agreement.
"Security Documents"	shall mean the deed of hypothecation of Escrow Account executed/to be executed by the Company and such other documents/agreements that may be entered into or delivered or deposited with the Investor for creating, effecting, perfecting and maintaining the Security, in a form and substance satisfactory to the Investor.
"Spread"	Quoted Spread of 1.07% shall remain unchanged throughout the tenor of the loan.
"Subsequent Fixed Component Payment Date(s)"	shall mean the date occurring after the expiry of every one-month period from First Fixed Component Payment Date.
"Tax"	means any interest tax, other levies, duties if any, applicable as per the Agreement.

Interpretation

In the Agreement,

(i) any reference to the singular shall include the plural and vice-versa;

(ii) any reference to the masculine, the feminine and the neuter shall include each other;

(iii) any reference to a "company" shall include a body corporate;

(iv) the recitals and schedules form part of the Agreement and shall have the same force and effect as if expressly set out in the body of the Agreement, and any reference to the Agreement shall include all recitals and schedules to it. Any references to clauses and schedules are references to the clauses and schedules to the Agreement. Any references to parts or paragraphs are, unless otherwise stated, reference to parts or paragraphs of the schedule in which the reference appears.

कृते बैंक ऑफ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, मुम्बई - 400 001
 Corporate Financial Service & Guarantees - 12256



Borrower
 4183

**SCHEDULE IV
CONDITIONS PRECEDENT**

(i) The Company submitting certified, true and up-to date (where applicable) copies of the following to the Investor-

(a) its memorandum of association and articles of association;

(b) a resolution by the board of directors of the Company accepting the Facility and approving the execution, delivery and performance of the Facility Documents and authorizing a key managerial person or persons to sign, execute and deliver each such document and any other documents to be delivered pursuant thereto and its noting thereof by the board;

(c) a resolution of its shareholders under Section 180 of the Act authorizing the borrowing of monies and creation of security, if any.

(ii) The Company submitting a certificate from its statutory auditors/company secretary confirming that the Facility would be within the borrowing limits of the resolution of the shareholders as set out above; and

(iii) The Company's Representations and Warranties having remained accurate and absence of any breach of the covenants or any other provision of the Facility Documents by the Company.

कृते बैंक ऑफ़, बड़ोदा/For Bank of Baroda

मुख्य अधिकारी / Chief Manager
कॉर्पोरेट वित्तिय सेवा शाखा, मुंबई-400 002
Corporate Financial Service B. Branch - 400 002



Borrower
4184

**SCHEDULE V
DRAWDOWN NOTICE**

[please insert date]

To,

[Insert the name of the Investor]

[•]

Dear Sirs,

Subject: Facility Agreement dated [•]

1. Please refer to the facility agreement executed between Investor and the NHPC Limited (the "Company") on [•] (the "Agreement"). All terms defined in the Agreement shall bear the same meanings herein.

2. The Company hereby requests the Disbursement on [•] (or as soon as practicable thereafter) of the amount of [•] under the Facility in accordance with the provisions of clause 4 of the Agreement.

3. For the purposes of the Agreement, the Company hereby certifies as follows:

(a) no Event of Default has occurred or is continuing and there is no likelihood of the occurrence of such an Event of Default to the best of its knowledge and belief;

(b) the proceeds of the Disbursement are, at the date of this request required by the Company for the Purpose(s);

(c) nothing has occurred which has or could reasonably be expected to have a Material Adverse Effect and the Company has not incurred any material loss or liability;

(d) the Company's Representations and Warranties made in the Agreement are true on and as of the date of this request and will be true on and as of the Drawdown Date with the same effect as if such representations and warranties had been made on and as of each such date;

(e) the Company hereby certifies that all of the conditions in clause 3.1 of the Agreement have been satisfied; and

(f) after giving effect to the Disbursement, the Company will not be in violation of:

its organizational documents;

any provision contained in any document to which the Company is a party (including the Agreement) or by which the Company is bound; or

any law, rule, regulation, authorization, agreement or other document binding on the Company directly or indirectly, limiting or otherwise restricting the Company's borrowing power or authority or its ability to borrow.

The above certifications are effective as of the date of this request for Disbursement and shall continue to be effective as of the Drawdown Date. If any of these certifications is no longer valid as on or prior to the date of the requested Disbursement, the Company will immediately notify the Investor.

IN WITNESS WHEREOF, I have hereunto set my hand this day of [•], 2024

For NHPC Limited

By:

Name:

Designation:

SCHEDULE VI

COVENANTS

A. POSITIVE COVENANTS

- Inspection- The Company shall permit and make suitable arrangements for the representatives, authorized officers, agents or employees of the Investor to visit and inspect its offices, its properties and assets, in relation to the Receivables and examine the Company's books of records, account with prior written notice of 10 (ten) Business Days.
- Maintenance of Existence; Books and Records -The Company shall preserve and maintain its legal existence as a company engaged in the implementation of the Power Station and activities related and incidental thereto and shall maintain proper books of record as are necessary to reflect the financial condition truly, accurately and correctly, operations of the Company and scale of its operations.
- Applicable Laws - The Company shall comply in all material respects with the Applicable Law including in relation to the conduct of its business and operation and maintenance of the Power Station.
- Maintenance of Accounts -The Company shall open and maintain the Escrow Account with the Escrow Bank and shall ensure deposit of all Receivables into the Escrow Account to be opened and maintained in terms of the Escrow Account Agreement.

कृते बैंक ऑफ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तीय सेवा शाखा, मुम्बई - 400001
Corporate Financial Service Br. Mumbai - 400001



Borrower
4185

- Use of Proceeds -The Company acknowledges and agrees that the proceeds of the Facility shall be utilized for the Purpose and shall not be used for any other purpose whatsoever.
- Taxes Duties- The Company shall pay and discharge all Taxes and other statutory dues imposed on or payable by it including Taxes on its income, profits or on any of its property and shall file all returns relating to such Taxes.
- The borrower should maintain adequate books of accounts, as per applicable accounting practices and standards, which should correctly reflect its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
- The borrower should submit to the Bank such financial statements as may be required by the Bank from time to time in addition to the set of such statements to be furnished by the borrower to the Bank as on the date of publication of the borrower's annual accounts.
- In case of default in repayment of the loan/advances or in the payment of the interest thereon or any of the agreed instalments of the loan on due date(s) by the borrower, the Bank and/or the RBI will have an unqualified right to disclose or publish the borrower's name or the name of the borrower/unit and its directors/partners/ proprietors as defaulters/wilful defaulters in such manner and through such medium as the Bank or RBI in their absolute discretion may think fit.
- The Bank will have the right to share credit information as deemed appropriate with Credit Information Companies (CICs) or any other institution as approved by RBI from time to time.
- Bank will have the right to examine at all times the borrower's books of accounts and to have the borrower's factories/unit inspected, from time to time, by officer(s) of the Bank and cost of such inspection shall be borne by the borrower.
- Effect any change in the borrowers capital structure where the joint shareholding of the existing Sponsors get diluted below 51%, bank will have right to recall the loan with prior notice of 30 days without penalty on borrower.
- The borrower will utilize the funds for the purpose they have been lent. Any deviation will be dealt with as per RBI guidelines and terms of sanction.
- Delay in servicing of interest and instalment towards Term Loan will attract penal charges.
- The borrower shall keep the Bank advised of any circumstance adversely affecting the financial position of company.
- Company to endeavor to avail our Bank's BCMS facility for vendor payment/salary payments on best effort basis.
- Company to give chance to Bank of Baroda for other Banking Facility viz. Working capital/ Escrow account for free PPAs/Salary Accounts/Trade Credit products etc.

B. NEGATIVE COVENANTS

The Company shall not, without the prior written consent of the Investor:

- Change in Business and Operations
- Effect any change to the Company's business and operations having Material Adverse Effect.
- Abandonment -The Company shall not Abandon or agree to Abandon the Power Station.
- Insolvency -The Company shall not initiate any voluntary insolvency or bankruptcy proceeding of any nature whatsoever.

C. INFORMATION COVENANTS

As customary for a facility of this nature and to include, without limitation, the following:

- Audited Annual Financials of the Borrower to be provided within 6 months of close of financial year.
- Company to inform within 15 days, any information which affects the Bank's Interest materially.
- The Company to inform the bank about any report/notice from Sales Tax, Income-Tax or any Government authority having material impact on the company, within 30 days of receipt.

D. FINANCIAL COVENANTS

The company shall undertake to adhere to the financial covenant of maintaining minimum DSCR of 1.10 times and TOL/TNW within 4:1 during the currency of the loan.

Testing shall be done based on audited financials till 30th November that means 1st testing shall be done on or before 30th November, 2025 based on audited financials as at 31.03.2025.

(In case of not meeting any of the above financial covenants the bank reserve right to change penal charge @ 2.00% p.a)

कृते बैंक ऑफ बड़ौदा/For Bank of Baroda

 मुख्य प्रबन्धक / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, गुरुग्राम -122001
 Corporate Financial Service Br. Gurugram - 122001



Borrower
4186

SCHEDULE VII
AMORTIZATION SCHEDULE (Indicative)
(all figures in INR, unless specified)

Months	Principal O.B	Installment	ROI (%)	Amount of Interest	Amount of Principal	Principal closing balance
1	23,48,44,67,733	33,08,00,000	7.90	15,46,06,079	17,61,93,921	23,30,82,73,812
2	23,30,82,73,812	33,08,00,000	7.90	15,34,46,136	17,73,53,864	23,13,09,19,948
3	23,13,09,19,948	33,08,00,000	7.90	15,22,78,556	17,85,21,444	22,95,23,98,504
4	22,95,23,98,504	33,08,00,000	7.90	15,11,03,290	17,96,96,710	22,77,27,01,795
5	22,77,27,01,795	33,08,00,000	7.90	14,99,20,287	18,08,79,713	22,59,18,22,081
6	22,59,18,22,081	33,08,00,000	7.90	14,87,29,495	18,20,70,505	22,40,97,51,577
7	22,40,97,51,577	33,08,00,000	7.90	14,75,30,865	18,32,69,135	22,22,64,82,441
8	22,22,64,82,441	33,08,00,000	7.90	14,63,24,343	18,44,75,657	22,04,20,06,784
9	22,04,20,06,784	33,08,00,000	7.90	14,51,09,878	18,56,90,122	21,85,63,16,662
10	21,85,63,16,662	33,08,00,000	7.90	14,38,87,418	18,69,12,582	21,66,94,04,080
11	21,66,94,04,080	33,08,00,000	7.90	14,26,56,910	18,81,43,090	21,48,12,60,990
12	21,48,12,60,990	33,08,00,000	7.90	14,14,18,302	18,93,81,698	21,29,18,79,292
13	21,29,18,79,292	33,08,00,000	7.90	14,01,71,539	19,06,28,461	21,10,12,50,831
14	21,10,12,50,831	33,08,00,000	7.90	13,89,16,568	19,18,83,432	20,90,93,67,398
15	20,90,93,67,398	33,08,00,000	7.90	13,76,53,335	19,31,46,665	20,71,62,20,734
16	20,71,62,20,734	33,08,00,000	7.90	13,63,81,786	19,44,18,214	20,52,18,02,520
17	20,52,18,02,520	33,08,00,000	7.90	13,51,01,867	19,56,98,133	20,32,61,04,387
18	20,32,61,04,387	33,08,00,000	7.90	13,38,13,521	19,69,86,479	20,12,91,17,908
19	20,12,91,17,908	33,08,00,000	7.90	13,25,16,693	19,82,83,307	19,93,08,34,600
20	19,93,08,34,600	33,08,00,000	7.90	13,12,11,328	19,95,88,672	19,73,12,45,928
21	19,73,12,45,928	33,08,00,000	7.90	12,98,97,369	20,09,02,631	19,53,03,43,297
22	19,53,03,43,297	33,08,00,000	7.90	12,85,74,760	20,22,25,240	19,32,81,18,057
23	19,32,81,18,057	33,08,00,000	7.90	12,72,43,444	20,35,56,556	19,12,45,61,501
24	19,12,45,61,501	33,08,00,000	7.90	12,59,03,363	20,48,96,637	18,91,96,64,864
25	18,91,96,64,864	33,08,00,000	7.90	12,45,54,460	20,62,45,540	18,71,34,19,325
26	18,71,34,19,325	33,08,00,000	7.90	12,31,96,677	20,76,03,323	18,50,58,16,002
27	18,50,58,16,002	33,08,00,000	7.90	12,18,29,955	20,89,70,045	18,29,68,45,957
28	18,29,68,45,957	33,08,00,000	7.90	12,04,54,236	21,03,45,764	18,08,65,00,193
29	18,08,65,00,193	33,08,00,000	7.90	11,90,69,460	21,17,30,540	17,87,47,69,653
30	17,87,47,69,653	33,08,00,000	7.90	11,76,75,567	21,31,24,433	17,66,16,45,220
31	17,66,16,45,220	33,08,00,000	7.90	11,62,72,498	21,45,27,502	17,44,71,17,717
32	17,44,71,17,717	33,08,00,000	7.90	11,48,60,192	21,59,39,808	17,23,11,77,909
33	17,23,11,77,909	33,08,00,000	7.90	11,34,38,588	21,73,61,412	17,01,38,16,497
34	17,01,38,16,497	33,08,00,000	7.90	11,20,07,625	21,87,92,375	16,79,50,24,122
35	16,79,50,24,122	33,08,00,000	7.90	11,05,67,242	22,02,32,758	16,57,47,91,364
36	16,57,47,91,364	33,08,00,000	7.90	10,91,17,376	22,16,82,624	16,35,31,08,741
37	16,35,31,08,741	33,08,00,000	7.90	10,76,57,966	22,31,42,034	16,12,99,66,707
38	16,12,99,66,707	33,08,00,000	7.90	10,61,88,947	22,46,11,053	15,90,53,55,654
39	15,90,53,55,654	33,08,00,000	7.90	10,47,10,258	22,60,89,742	15,67,92,65,912
40	15,67,92,65,912	33,08,00,000	7.90	10,32,21,834	22,75,78,166	15,45,16,87,746
41	15,45,16,87,746	33,08,00,000	7.90	10,17,23,611	22,90,76,389	15,22,26,11,357
42	15,22,26,11,357	33,08,00,000	7.90	10,02,15,525	23,05,84,475	14,99,20,26,882
43	14,99,20,26,882	33,08,00,000	7.90	9,86,97,510	23,21,02,490	14,75,99,24,392
44	14,75,99,24,392	33,08,00,000	7.90	9,71,69,502	23,36,30,498	14,52,62,93,894
45	14,52,62,93,894	33,08,00,000	7.90	9,56,31,435	23,51,68,565	14,29,11,25,329
46	14,29,11,25,329	33,08,00,000	7.90	9,40,83,242	23,67,16,758	14,05,44,08,571
47	14,05,44,08,571	33,08,00,000	7.90	9,25,24,856	23,82,75,144	13,81,61,33,427
48	13,81,61,33,427	33,08,00,000	7.90	9,09,56,212	23,98,43,788	13,57,62,89,639

कृते बैंक ऑफ़ बड़ोदा/For Bank of Baroda

Chief Manager
Corporate Financial Service Br. Gandhinagar - 122001



Borrower
4187

49	13,57,62,89,639	33,08,00,000	7.90	8,93,77,240	24,14,22,760	13,33,48,66,879
50	13,33,48,66,879	33,08,00,000	7.90	8,77,87,874	24,30,12,126	13,09,18,54,753
51	13,09,18,54,753	33,08,00,000	7.90	8,61,88,044	24,46,11,956	12,84,72,42,797
52	12,84,72,42,797	33,08,00,000	7.90	8,45,77,682	24,62,22,318	12,60,10,20,478
53	12,60,10,20,478	33,08,00,000	7.90	8,29,56,718	24,78,43,282	12,35,31,77,197
54	12,35,31,77,197	33,08,00,000	7.90	8,13,25,083	24,94,74,917	12,10,37,02,280
55	12,10,37,02,280	33,08,00,000	7.90	7,96,82,707	25,11,17,293	11,85,25,84,986
56	11,85,25,84,986	33,08,00,000	7.90	7,80,29,518	25,27,70,482	11,59,98,14,504
57	11,59,98,14,504	33,08,00,000	7.90	7,63,65,445	25,44,34,555	11,34,53,79,950
58	11,34,53,79,950	33,08,00,000	7.90	7,46,90,418	25,61,09,582	11,08,92,70,368
59	11,08,92,70,368	33,08,00,000	7.90	7,30,04,363	25,77,95,637	10,83,14,74,731
60	10,83,14,74,731	33,08,00,000	7.90	7,13,07,269	25,94,92,791	10,57,19,81,940
61	10,57,19,81,940	33,08,00,000	7.90	6,95,98,881	26,12,01,119	10,31,07,80,821
62	10,31,07,80,821	33,08,00,000	7.90	6,78,79,307	26,29,20,693	10,04,78,60,128
63	10,04,78,60,128	33,08,00,000	7.90	6,61,48,413	26,46,51,587	9,78,32,08,540
64	9,78,32,08,540	33,08,00,000	7.90	6,44,06,123	26,63,93,877	9,51,68,14,663
65	9,51,68,14,663	33,08,00,000	7.90	6,26,52,363	26,81,47,637	9,24,86,67,026
66	9,24,86,67,026	33,08,00,000	7.90	6,08,87,058	26,99,12,942	8,97,87,54,084
67	8,97,87,54,084	33,08,00,000	7.90	5,91,10,131	27,16,89,869	8,70,70,64,215
68	8,70,70,64,215	33,08,00,000	7.90	5,73,21,506	27,34,78,494	8,43,35,85,722
69	8,43,35,85,722	33,08,00,000	7.90	5,55,21,106	27,52,78,894	8,15,83,06,828
70	8,15,83,06,828	33,08,00,000	7.90	5,37,08,853	27,70,91,147	7,88,12,15,681
71	7,88,12,15,681	33,08,00,000	7.90	5,18,84,670	27,89,15,330	7,60,23,00,351
72	7,60,23,00,351	33,08,00,000	7.90	5,00,48,477	28,07,51,523	7,32,15,48,828
73	7,32,15,48,828	33,08,00,000	7.90	4,82,00,196	28,25,99,804	7,03,89,49,024
74	7,03,89,49,024	33,08,00,000	7.90	4,63,39,748	28,44,60,252	6,75,44,88,772
75	6,75,44,88,772	33,08,00,000	7.90	4,44,67,051	28,63,32,949	6,46,81,55,823
76	6,46,81,55,823	33,08,00,000	7.90	4,25,82,026	28,82,17,974	6,17,99,37,849
77	6,17,99,37,849	33,08,00,000	7.90	4,06,84,591	29,01,15,409	5,88,98,22,440
78	5,88,98,22,440	33,08,00,000	7.90	3,87,74,664	29,20,25,336	5,59,77,97,104
79	5,59,77,97,104	33,08,00,000	7.90	3,68,52,164	29,39,47,836	5,30,38,49,269
80	5,30,38,49,269	33,08,00,000	7.90	3,49,17,008	29,58,82,992	5,00,79,66,276
81	5,00,79,66,276	33,08,00,000	7.90	3,29,69,111	29,78,30,889	4,71,01,35,388
82	4,71,01,35,388	33,08,00,000	7.90	3,10,08,391	29,97,91,609	4,41,03,43,779
83	4,41,03,43,779	33,08,00,000	7.90	2,90,34,763	30,17,65,237	4,10,85,78,542
84	4,10,85,78,542	33,08,00,000	7.90	2,70,48,142	30,37,51,858	3,80,48,26,684
85	3,80,48,26,684	33,08,00,000	7.90	2,50,48,442	30,57,51,558	3,49,90,75,127
86	3,49,90,75,127	33,08,00,000	7.90	2,30,35,578	30,77,64,422	3,19,13,10,704
87	3,19,13,10,704	33,08,00,000	7.90	2,10,09,462	30,97,90,538	2,88,15,20,167
88	2,88,15,20,167	33,08,00,000	7.90	1,89,70,008	31,18,29,992	2,56,96,90,174
89	2,56,96,90,174	33,08,00,000	7.90	1,69,17,127	31,38,82,873	2,25,58,07,301
90	2,25,58,07,301	33,08,00,000	7.90	1,48,50,731	31,59,49,269	1,93,98,58,033
91	1,93,98,58,033	33,08,00,000	7.90	1,27,70,732	31,80,29,268	1,62,18,28,765
92	1,62,18,28,765	33,08,00,000	7.90	1,06,77,039	32,01,22,961	1,30,17,05,804
93	1,30,17,05,804	33,08,00,000	7.90	85,69,563	32,22,30,437	97,94,75,367
94	97,94,75,367	33,08,00,000	7.90	64,48,213	32,43,51,787	65,51,23,580
95	65,51,23,580	33,08,00,000	7.90	43,12,897	32,64,87,103	32,86,36,477
96	32,86,36,477	33,08,00,000	7.90	21,63,523	32,86,36,477	1

कृते बैंक ऑफ बरोडा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
 कॉर्पोरेट वित्तीय सेवा शाखा, गुरुग्राम -122002
 Corporate Financial Service Br. Gurugram



Borrower
4188

SCHEDULE VIII
COMPANY REPRESENTATIONS AND WARRANTIES

1. Existence and Ability

1.1. The Company is duly organized and validly existing under the laws of India and is in good standing.

1.2 The Company has all corporate powers and material Governmental Approvals, required to own its property and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates.

2. Power and Authority

The Company has the full legal right, capacity and authority to enter into the Facility Documents to which it is a party, and the Facility Documents constitute legal, valid and binding obligations on the Company. The Company has the corporate power and authority to execute and deliver the terms and provisions of the Facility Documents and has taken all necessary corporate actions to authorize the execution and delivery of the Facility Documents and the transactions contemplated hereby.

3. Valid and Binding Obligation

Facility Documents constitutes a legally valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditors' rights or the application of equitable principles.

4. No Violation

The execution, delivery and performance by the Company of the Facility Documents and the compliance by it with the terms and provisions thereof do not and will not-

(i) contravene any material provision of any Applicable Law, statute, rules or regulations or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject; or

(ii) conflict with or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under, any agreement, contract or instrument to which it is a party or by which, it or any of its property or assets is bound or to which it may be subject; or

(iii) violate any material provision of its memorandum and articles of association and other constitutional documents.

5. Litigation

To the best of knowledge of the Company, there are no material claims, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to the Company which could reasonably be expected to have a Material Adverse Effect.

6. Insolvency

The Company has not taken any corporate action and to the best of its knowledge no other steps have been taken or legal proceedings have been started or any application is filed against it for its winding-up, bankruptcy, dissolution, administration or reorganization including no action (voluntary or involuntary) for liquidation / insolvency, under Insolvency and Bankruptcy Code, 2016 has been taken and/or is pending or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer or of any or all of its assets or revenues.

7. Borrowings

7.1 The total amount borrowed by the Company does not exceed any limitation on their borrowings contained in its articles of association, or in any resolution of its Board, or other deed or document binding on the Company.

7.2 To the best of its knowledge, no event of default or breach-

(a) which has or would entitle a lender or other counterparty of any borrowing to require the payment or repayment of such borrowing before its normal or originally stated maturity; or

कृते बैंक ऑफ बड़ोदा/For Bank of Baroda

मुख्य प्रबन्धक / Chief Manager
कॉर्पोरेट वित्तिय सेवा शाखा, गुन्नास -122002
Corporate Financial Service Br. GUNNAS 122002



Borrower
4189

(b) which is or shall be such as to terminate, cancel or render incapable of exercise any entitlement to draw money or other rights of the Company under a written agreement related to any borrowing, has been declared by the lender or counter party of such borrowing or has occurred or is expected to occur in relation to such borrowing.

7.3 The Company is not in breach of its material obligations, undertakings, or covenants under any of the loan agreements entered into with its lenders.

8. Compliance with Applicable Laws

The Company to the best of its knowledge, has complied with all material Applicable Laws in India and there has not been and there is no investigation, enquiry, order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the knowledge of the Company, anticipated against the Company which would have a Material Adverse Effect.

9. Material Adverse Effect

To the best of its knowledge, there are no facts or circumstances, conditions or occurrences, which could collectively or otherwise be expected to result in Material Adverse Effect.

In case of any dispute between terms of this document and the sanction letter reference no. **CFSGUR/06/ADV/NHPC/2024-25/207** dated 23.12.2024, terms of sanction shall prevail.

बैंक ऑफ बड़ोदा/For Bank of Barod.

मुख्य प्रबन्धक / Chief Manager
कोर्पोरेट वित्तिय सेवा शाखा, मुम्बई
Corporate Financial Service Br.



Borrower
4198

Non Judicial



**Indian-Non Judicial Stamp
Haryana Government**



Date : 08/12/2025

Certificate No. E0H2025L1060



Stamp Duty Paid : ₹ 700
(Rs. Only)

GRN No. 143607327



Penalty : ₹ 0
(Rs. Zero Only)

Seller / First Party Detail

Name: Nhpclimited

H.No/Floor : 4

Sector/Ward : 33

LandMark : Nhpc office complex

City/Village : Faridabad

District : Faridabad

State : Haryana

Phone: 97*****52



Buyer / Second Party Detail

Name : Statebank Ofindia

H.No/Floor : 5

Sector/Ward : 0

LandMark : Parsvnath capital towers

City/Village : Gole market

District : Delhi

State : Delhi

Phone : 95*****82

Purpose : FACILITY AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

THIS NON-JUDICIAL STAMP PAPER
For Rs. 700/-
FORMS THE PART OF AGREEMENT
FOR FACILITY AGREEMENT
EXECUTED BY NHPC LTD.
ON 08.12.2025

कृते भारतीय स्टेट बैंक / For State Bank of India

उ.म.प्र. एच. सम्बन्ध प्रबन्धक, ए.एम.टी.-1
DGM & Relationship Manager, AMT-1

कॉन्सोले लेवा सड़क हावा, नई दिल्ली / CAG Branch, New Delhi-1

अनुज कापूर
ANUJ KAPOOR
कार्यपालक निदेशक (वित्त)
EXECUTIVE DIRECTOR (FINANCE)
एनएचपीसी लिमिटेड NHPC Limited
(भारत सरकार का उद्यम)

सेक्टर-33, फरीदाबाद / Sector-33, Faridabad-1210 03

FACILITY AGREEMENT

BETWEEN

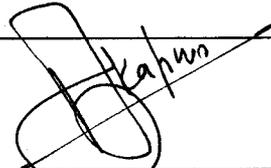
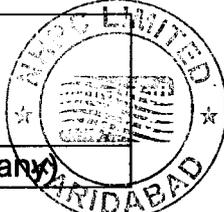
NHPC LIMITED

(As Borrower Company)

AND

STATE BANK OF INDIA

(As Lender / Bank)

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

FACILITY AGREEMENT

THIS FACILITY AGREEMENT ("**Agreement**") is made at Faridabad on this 8th day of December 2025 ("**Execution Date**") by and between:

NHPC LIMITED, a public limited company incorporated and registered under the Companies Act 1956 and an existing company within Companies Act, 2013, having its corporate identification number L40101HR1975GOI032564 with its registered office at NHPC office complex, Sector 33 Faridabad, Haryana-121003 (hereinafter referred to as the "**Company**" or "**Borrower**", which expression shall unless it be repugnant to the context or meaning thereof, includes its successors and permitted assigns) of the **FIRST PART**;

AND

STATE BANK OF INDIA, a body corporate constituted under the State Bank of India Act, 1955 and having its Corporate Centre at State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai, Maharashtra - 400021 and a branch amongst other places Corporate Accounts Group (CAG) Branch, Parsvnath Capital Tower, 5th Floor, Bhai Veer Singh Marg, Gole Market, New Delhi 110 001 (hereinafter referred to as "**Lender**" or "**Bank**" or "**Investor**", which expression shall, unless repugnant to the subject or context thereof, include its successors, substitutes and assigns) of the **SECOND PART**;

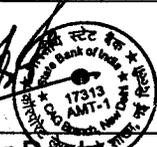
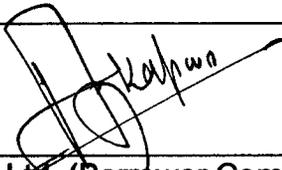
The Borrower /Company and the Lender shall individually be referred to as "**Party**" and collectively as "**Parties**" under this Agreement.

WHEREAS

A. The Borrower is a hydropower company in India and engaged in designing constructing and operating hydropower plants including Chamera-III & Parbati-III Power Stations set up in Himachal Pradesh (the "**Power Stations**").

B. The Company has approached the Lender for monetization of its Free Cash (ROE) from the Power Stations for the next 10 years, and the Lender has agreed to make available to the Company the facility of an aggregate principal amount not exceeding Rs. 1854,32,87,889/- (Rupees One Thousand Eight Hundred Fifty-Four Crore Thirty-Two Lacs Eighty-Seven Thousand Eight Hundred & Eighty-Nine Only) (the "**Facility**") for the Purpose (defined hereinafter).

C. Based on the representations and assurances of the Company, the Lender has

 	
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

agreed to provide the Facility to the Company and the Company has agreed to avail the Facility from the Lender on the terms and subject to the conditions contained in this Agreement and the other Facility Documents.

NOW THEREFORE, in consideration of the premises and mutual agreements and covenants contained in the Agreement and other good and valuable consideration (the receipt and adequacy of which is hereby mutually acknowledged), each of the Parties hereby agree as follows-

1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

In addition to the terms defined in (i) the recitals to the Agreement; (ii) elsewhere in the Agreement, the capitalized terms shall have the meanings set forth in Schedule III hereto.

2. THE FACILITY

2.1 Facility

Subject to the terms and conditions of this Agreement and upon issuance of a duly completed Drawdown Notice in the manner set out in clause 4 of this Agreement, Lender agrees to make available to the Company/Borrower, the Facility in accordance with the terms of this Agreement and Sanction Letter No. CAG/AMT-1/2025-26/460 dated 24.11.2025 (hereinafter referred to as the "Sanction Letter") as amended, modified from time to time.

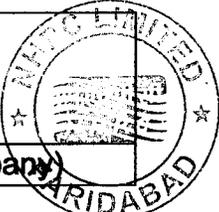
2.2 Purpose

2.2.1 The Borrower hereby undertakes that the Facility shall be utilized, by the Borrower to meet out the capex requirement of the Borrower including recoupment of capex already incurred.

2.2.2 The Borrower agrees to furnish a certificate from its statutory auditors / any other auditor, regarding the utilization of funds disbursed and such certificate shall be furnished to the Lender within sixty (60) Business Days of Disbursement of the Facility.

2.3 Availability

The Facility shall be available up to 31.03.2026 and Borrower shall draw the entire Term Loan (in one or more tranches) up to 31.03.2026. The Borrower shall inform the lender 2 (two) working days in advance before seeking the disbursement.

			
State Bank of India (Lender Bank)		NHPC Ltd. (Borrower Company)	

2.4 Security

- i. The Obligations of the borrower shall be secured by the below mentioned security created or to be created in favour of the Lender, in the form and manner acceptable to the Lender:
 - a. A **first charge by way of hypothecation** over the Escrow Account of the Borrower, established or to be established in accordance with the Escrow Account Agreement and
 - b. A Negative Lien on the entire fixed assets of the Company.

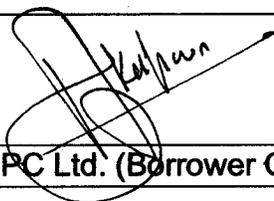
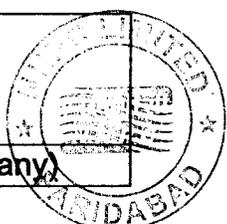
(Collectively, the "Security")

- ii. The Security stipulated in clause 2.4 (i) above, shall be created on or before the initial Drawdown Date.
- iii. The Borrower shall forthwith, and in any event not later than 30 (thirty) days from the date of execution of the relevant Security Document(s) (or such shorter period, as may be required under the Applicable Law), file the particulars of the charges created under the Security Document (s) with the relevant Registrar of Companies by filling Form CHG-1 and shall pay all applicable fees and charges in connection therewith.
- iv. The Borrower shall promptly provide evidence of filing of CHG-1, including copy of CHG-1, along with annexures, challan, charge certificate, etc. in favour of the Lender / Investor and all details in relation to registration of the charge in favour of the Lender / Investor.
- v. The Borrower shall take all necessary actions and provide all requisite assistance to the Lender for filing and or registration of the Security Document (s) and the charge created thereunder with **Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)**, forthwith upon execution of the relevant Security Document (s).

3. CONDITIONS PRECEDENT

3.1 Conditions Precedent to the Facility

Notwithstanding any other provision hereof, the Lender shall not be obligated to make a Disbursement of the Facility, pursuant to a Drawdown Notice, unless the Borrower has satisfied the Conditions Precedent as set out in Schedule IV hereto or waived by the Lender in its sole discretion and no Event of Default has occurred. The satisfaction of any Condition Precedent in this clause by the Borrower may be waived by the Lender, in writing, at its sole discretion, following a written request from the Borrower setting out (a) the Condition(s) Precedent in respect of which Borrower seeks a waiver, and (b) the reasons for seeking such waiver.

			
State Bank of India (Lender Bank)		NHPC Ltd. (Borrower Company)	

4. DRAWDOWN

The Facility shall be drawn by the Borrower in a single tranche/multiple tranches as agreed by the Lender, by providing a notice in the form set out in Schedule V ("Drawdown Notice") after the satisfaction or waiver of all the Conditions Precedent, as the case maybe.

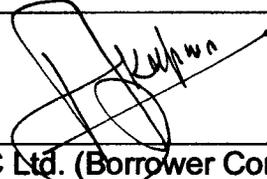
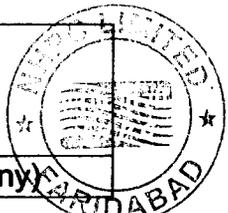
5. REPAYMENT OF FACILITY, INTEREST PAYMENTS

5.1.1 The outstanding principal of the Facility shall be repaid in structured instalments, in accordance with the Sanction Letter. For ease of reference, the **Due Date of repayment and the mechanism for repayment of Facility** shall be as follows:

Repayment Payout Mechanism /	<p>The repayment of TL shall be as under:</p> <ul style="list-style-type: none"> ➤ Fixed Component: Free Cash of Rs. 21.15 Cr. per month shall be credited into the Escrow Account (EA) on monthly basis starting from the month next to the month of disbursement, if the disbursement is not made on first day of month. In such case, the applicable interest component based on the quoted Discounting Rate for the break period in the month of disbursement shall be paid by the Company by credit to the designated Escrow account as detailed under clause 5.1.2 ("Interest Payment Frequency"). ➤ In case where disbursement is made on the first day of the calendar month, then monthly fixed payout shall be on the last day of month of disbursement / first calendar day of the month subsequent to the month of first disbursement, as detailed herein below ("Due Date of Repayment"). In such case, no break period interest shall be applicable. ➤ In case the disbursement happens in two tranches then free cash amount of Rs. 21.15 Crore gets prorated accordingly. ➤ The Fixed component of Rs. 21.15 Cr. for payment of dues towards monetization facility raised, shall comprise of interest calculated on monthly basis on quoted Discount Rate on reducing balance basis and balance amount shall be applied towards redemption of monetization Facility. ➤ In case of any subsequent change of Discounting Rate due to change of applicable Benchmark Rate, any increase in monthly outflows on account of such reset shall be borne by NHPC by additional credit to EA while in case of decrease in
-------------------------------------	--



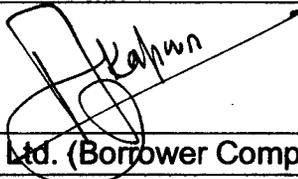
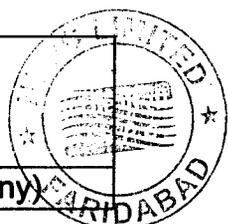
 State Bank of India (Lender Bank)



 NHPC Ltd. (Borrower Company)

	<p>monthly outflows due to decrease in benchmark rate, then the Fixed Component shall be reduced accordingly and same shall be credited to the EA.</p> <p>Thus, the monetization facility / term loan is repayable in 120 equal monthly instalments of Rs. 21.15 Cr. each along with any additional applicable interest from time to time (due to quarterly reset of benchmark rate i.e. 3-M T Bill and / or change in applicable spread, if any). An illustrative repayment schedule has been provided in Schedule VII of this Agreement for reference purpose. The actual repayment shall however be governed as per the mechanism detailed in Sanction Letter / Facility Agreement, more specifically set out in points 9, 10, 11, 16 and 17 of the Sanction Letter.</p>
<p>Due Date of Repayment</p>	<p>Shall mean and refer the following:</p> <p>1. (A) For repayment of the RoE/Fixed Component Payment—</p> <p>(i) the First Fixed Component Payment Due Date shall be the “first day of the subsequent calendar month / last day of the calendar month” after the expiry of one month from the date of first disbursement / subsequent disbursement (as defined under point (2) below), in case the first disbursement / subsequent disbursement is not made on the first day of a calendar month and</p> <p>(ii) the “first day of the subsequent calendar month / last day of the calendar month” in which the first disbursement / subsequent disbursement has been made (as defined under point (2) below), in case such disbursement is made on the first day of any calendar month;</p> <p>(iii) After payment of First Fixed component, the Subsequent Fixed Component Payment Due Date shall be at monthly intervals (last day of the calendar month / first day of the subsequent calendar month) as detailed under point (2) below.</p> <p>(B) For payment of Additional Payment, if any, applicable on benchmark reset and / or spread - shall be on the Due Date along with First Fixed Component Payment Date / Subsequent Fixed Component Payment Date, where Due Date is defined under point (2) below.</p> <p>2. The Due Date (“first day of the subsequent calendar month / last day of the calendar month”) shall be defined as under:</p>



 State Bank of India (Lender Bank)



 NHPC Ltd. (Borrower Company)

	<p>(a) <u>Due date pertaining to the months which are also quarter ends (i.e. December, March, June and September):</u> on or before the End of Day (EoD) of first day of the subsequent month of respective quarter (i.e. on 1st January 1st April, 1st July and 1st October), irrespective of whether this day is a business or non-business day.</p> <p>(b) <u>Due date pertaining to months other than (a) above (i.e. other than December, March, June and September):</u> on or before the EoD of first day of the subsequent month, in case such day is a business day and on or before the EoD of the last day of the same month, in case first day of the subsequent month is a non-business day. In case, the last day of such month also happens to be a non-business day, the due amount shall be recovered on the previous business / working day.</p>
--	---

5.1.2 Interest

(a) The Interest shall be paid at monthly intervals as per terms and conditions mentioned in the Sanction Letter.

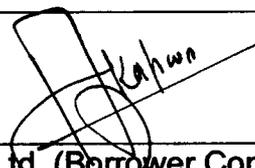
(b) Interest for the break period in the month of Disbursement shall be payable at the Effective Discount Rate, by depositing the required amount in the Escrow Account on the Due Date / Interest Payment Date as per the Sanction Letter. It is clarified that in case the Disbursement takes place on the first day of the month, Interest shall be payable out of the Fixed Component Payment to be deposited by the Company on the Due Date / Interest Payment Date in the Escrow Account.

(c) The Benchmark Rate shall reset after every three months in accordance with Quoted Benchmark Rate i.e. 3-Month T-bill rate.

5.1.3 The Company shall be liable to make Additional Payment (defined hereinafter) at such intervals, as may be required, as per the terms of this Agreement / Sanction Letter.

To sum up, the mechanism for interest payments shall be as under:

Interest Payment Frequency	<ul style="list-style-type: none"> ➤ Interest shall be payable at monthly intervals. ➤ Interest shall be paid on the outstanding principal amount of the Term Loan on a monthly basis, immediately after application of the interest, in the following manner: <ul style="list-style-type: none"> (a) <u>At quarter ends (i.e. 31st December, 31st March, 30th June and 30th September):</u> on or before the End of the
-----------------------------------	--

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
---	---

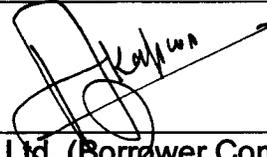
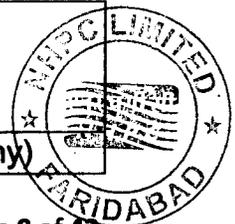
	<p>Day (EoD) of first day of the subsequent month to which the interest pertains (i.e. on 1st January, 1st April, 1st July and 1st October respectively), irrespective of whether the first day is a business or non-business day.</p> <p>(b) <u>At month ends other than (a) above (i.e. other than 31st December, 31st March, 30th June and 30th September):</u> on or before the EoD of first day of the subsequent month to which the interest pertains, in case such day is a business day and on or before the EoD of day of application of interest (i.e. last day of the month), in case first day of the subsequent month is a non-business day. In case, the last day of such month is also a non-business day, the applicable monthly interest shall be recovered on the previous business / working day.</p> <p>(c) The first of such interest amount shall be payable for the broken period from the date of first disbursement to the end of month as mentioned at (a) and (b) above.</p> <p>➤ Additional interest (applicable on reset / break period as defined above) and all other charges, wherever applicable, shall accrue from day to day and shall be calculated on "actual / actual basis". In case of leap year, number of days shall be considered 366 (actual/actual day count convention) for whole leap year and leap year will be considered for a period of 12 months w.e.f. 1st April to 31st March of the FY in which February of 29 days falls.</p> <p>Payment of Additional interest, wherever applicable, shall be made along with fixed component of Rs. 21.15 Cr., as per the same mechanism as defined under points (a) and (b) above.</p>
--	---

5.1.4 Liquidated Damages on Defaulted Amounts/Penal Charges

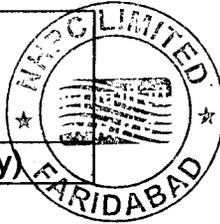
- (a) The Borrower shall be liable to pay default/penal interest or charges as mentioned in the Sanction Letter or as circulated from time to time by the Bank.
- (b) Liquidated Damages / penal charges shall be payable for the period commencing from the date of such default till the time such default continues and is not remedied to the satisfaction of the Lender.

6. REPRESENTATIONS AND WARRANTIES

6.1 By executing the Agreement, the Borrower makes the Borrower's Representations and Warranties to the Lender.

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
---	---

- (i) The Borrower has the corporate power to enter into, exercise its rights and perform and comply with its obligations under this Agreement.
- (ii) The execution of this Agreement on its behalf and the performance of its obligations under this Agreement have been duly authorized by all necessary corporate action and the obligations expressed as being assumed by it under this Agreement constitute its valid, legal and binding obligations enforceable against it in accordance with its terms.
- (iii) Neither its execution and delivery of this Agreement nor its exercise of any of its rights under this Agreement nor its performance or observance of any of its obligations under this Agreement shall –
 - (a) conflict with, or result in any breach of any law, statute, regulation, indenture, mortgage, trust deed, agreement or other instrument, arrangement, obligation or duty by which it is bound, or
 - (b) cause any limitation on any of its powers whatsoever and howsoever imposed, or on the right or ability of its directors to exercise such powers.
- (iv) No litigation or arbitration proceedings before any court, tribunal, arbitrator, administrative or governmental authority or dispute with any governmental authority, are presently in process, pending or to the best of its knowledge, information and belief threatened against it which might have an adverse effect on its ability to duly perform and observe any of its obligations under this Agreement.
- (v) the copies, certified by the Borrower's Company Secretary, of the Certificate of Incorporation and the Memorandum and Articles of Association of the Borrower are true and effective and the Borrower shall not during the currency of this Agreement cause any significant alteration detrimental to the interest of the Bank, in any of them without prior notification to and written consent of the Bank;
- (vi) the resolution passed by the Borrower in general meeting consenting under Section 180(1)(c) of the Companies Act, 2013, if applicable, to the Board of Directors borrowing moneys in excess of the aggregate of the paid up capital of the Borrower and its free reserves, a certified copy of the minutes of which has been delivered by the Borrower to the Bank, is and, during the currency of this Agreement, shall remain adequate and effective to enable the Bank to grant and the Borrower to receive the term loan facility aforesaid;
- (vii) the audited profit and loss account of the Borrower for the year ended (relevant financial year end date) and the audited balance sheet of the Borrower as of that date give a true and fair view of the results of the operations of the Borrower for that period and the financial position of the Borrower as of that date and that there has been no material change adverse to the business, assets, conditions or operations of the Borrower since that date;
- (viii) all necessary resolutions, consents, licenses, approvals and authorizations of the Government of India and any political subdivision thereof and of any governmental ministry, authority, bureau or agency and of any other person or

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
---	---

entity required in connection with execution, delivery, performance, validity and enforceability of this Agreement and/or the establishment and continuance of the business activity of the Borrower and the transactions relating thereto have been duly obtained and are in full force and effect and in respect of all payments to be made by the Borrower to the Bank hereunder in foreign currencies are exempt and exonerated from Indian withholding tax and any other taxes assessed or imposed by any Government or taxing authority thereof;

- (ix) in the event of default by the Borrower the Bank may:
- a) apply and/or appropriate and/or set off any credit balance standing upon any account of the Borrower with any branch of the Bank in India or abroad and in whatever currency first in or towards satisfaction of any sum (whether of principal, interest or otherwise) due to the Bank from the Borrower hereunder and;
 - b) in the name of the Borrower as the attorney of the Borrower to do all such acts and execute all such documents as the Bank may consider necessary or expedient in this regard;
 - c) The representations and warranties contained in this clause shall be deemed to be repeated by the Borrower on each date of drawl.

7. COVENANTS

During the currency of the Facility, the Borrower agrees to abide by and ensure continued compliance with the covenants as more particularly laid down in **Schedule VI** of this Agreement.

8. ASSIGNMENT

The Lender reserves the right to assign its rights and obligations herein in favor of a new Lender, provided that such new Lender was identified as an eligible Lender in terms of the Bid Documents. The Borrower is not entitled to assign any of its respective rights or obligations under any of the Facility Documents, without the consent of the Lender.

9. TERMS AND CONDITIONS OF TERMINATION

9.1 Term

This Agreement shall come into force from the Execution Date and the Agreement shall continue to be in force unless terminated in accordance with the provisions of clause 9.3 below or upon repayment of the Facility in accordance with the provisions contained in clause 5 hereof.

9.2 Events of Default

 State Bank of India (Lender Bank)	 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)	 NHPC LIMITED FARIDABAD
--	--	--	--

The occurrence and/ or continuance of any one or more of the following events shall constitute a default under the Agreement (each such event being herein referred to as an "Event of Default") and as mentioned in the Sanction Letter.

9.2.1 If the Company fails to credit Fixed Component Payment and or Additional Payment into the Escrow Account on Due Dates.

9.2.2 Any final execution or distress order being enforced or levied against any of the Power Stations and any order relating thereto is not discharged or stayed within thirty (30) Business Days from the date of enforcement or levy.

9.2.3 A receiver or liquidator being appointed in respect of the Power Station and such appointment is not stayed, quashed, or dismissed within thirty (30) Business Days of the appointment.

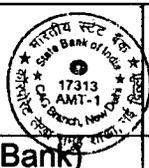
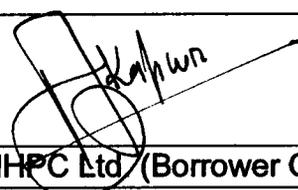
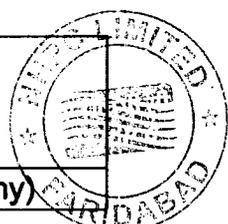
9.2.4 Any event or circumstance has occurred which is materially prejudicial to or imperils or depreciates the Security or the charge created by the Security Document cease to be valid under the Applicable Laws.

9.3 Termination

In case of occurrence and continuance of any of the events described above or in Clause 9.2 of this Agreement or if the Borrower has not availed the Facility before the availability period, then in such event, the Lender may, by notice in writing to the Borrower, terminate the right of the Borrower to make withdrawals. Upon such notice, the undrawn amount of the Facility shall stand cancelled.

10. CUMULATIVE RIGHTS

10.1 For greater certainty, it is expressly understood and agreed that the rights and remedies of the Investor under the Agreement, the other Facility Documents or under any document or instrument executed pursuant hereto or thereto, are cumulative and are in addition to and not in substitution of the Lender's/Investor's rights or remedies provided by Applicable Law or by equity and any single or partial exercise by the Investor of any right or remedy for a default or breach of any term or condition contained in the Agreement, the other Facility Documents or any other document or instrument executed pursuant hereto or thereto, shall not be deemed to be a waiver of or to alter, affect or prejudice the right or remedy or other rights or remedies to which the Investor may be lawfully entitled for such default or breach. Any waiver by the Investor/Lender of the strict observance, performance or compliance with any term or condition herein contained and any indulgence granted either expressly or by course of conduct of the Investor shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Investor under the Agreement, the other Facility Documents or

			
State Bank of India (Lender Bank)		NHPC Ltd (Borrower Company)	

any document or instrument executed pursuant hereto or thereto, as a result of any other default or breach hereunder or thereunder.

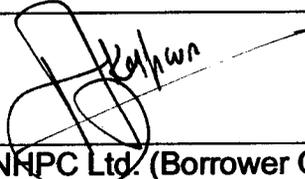
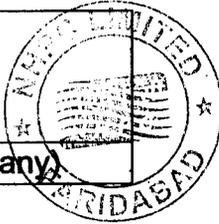
10.2 Consequences of Default

Upon and at any time after the occurrence of an Event of Default, the Investor may-

- (i) Accelerate the payment of outstanding amount of Facility.
- (ii) Draw on any margins available and balances in the Escrow Account under lien to the Bank.
- (iii) The Bank at any time after the occurrence of an event of default under the Facility Agreement(s), may have a receiver appointed in respect of the charged security or any part thereof.
- (iv) by written notice to the Company, demand that all or part of the entire outstanding amount under the Facility and all other amounts payable under the Facility Documents be immediately due and payable; and/ or
- (v) enforce its rights under the Facility Documents in the manner provided therein and in Applicable Law; and/or
- (vi) issue a notice to the Escrow Bank to draw on any margins and balances in the Escrow Account / instruct the Escrow Bank to ensure that no withdrawals/transfers take place from the Escrow Account.
- (vii) If NHPC makes default in payment of the said Dues or any part thereof, the Investor would be at liberty (but not bound to do so) to appoint its nominee as Receiver without having resort to a Court of Law and/or to a proceeding in Court, to take possession of the properties of NHPC held/to be held by the Investor as security for the Loan hereunder or under any other security document(s) executed /to be executed by NHPC in favour of the Bank.

11. INDEMNITY

- (1) The Borrower undertakes (without limiting any other remedy of the Lender under the Facility Documents or in any other way, including their right to damages in respect of a claim for breach of any of the representations or warranties on any other basis) to defend, indemnify and hold harmless the Lender and their respective officers, directors, employees, affiliates, advisors, agents and controlling Persons (each, an "Indemnified Party") from and against any and all losses, claims, liabilities, damages and expenses, joint or several relating to the transactions in the Facility Documents, the occurrence of any Event of Default and/or any other act of Indemnified Party acting on their behalf.

 State Bank of India (Lender Bank)	 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)	 NHPC Ltd. (Borrower Company)
--	--	--	---

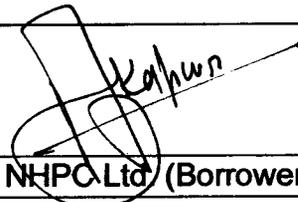
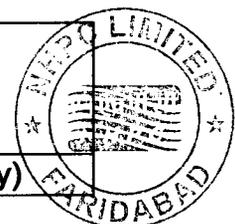
(2) General and Fraud Indemnity:

The Borrower hereby indemnifies and agrees to keep the Lender and its respective officers, representatives and agents indemnified against any direct losses or damages whether by way of costs, charges, expenses, litigation, penalty or howsoever sustained or incurred by them as a result of, or in connection with, or arising out of (i) failure for any reason on the part of the Borrower in complying with any of the provisions of any of the Finance Documents and/or the Applicable Law; and/or (ii) the occurrence of any Events of Default; and/or (iii) levy by any Government Authority of any tax in connection with regularizing or perfecting any of the Finance Documents as may be required under the Applicable Law; and/or (iv) getting any of the Finance Documents admitted into evidence; and/or (v) relying on any of the Finance Documents for proving any claim; and/or (vi) any fraud detected in or in respect of any loan or any other financial assistance granted or to be granted to a group company or group establishment (NHPC's Subsidiaries including SPVs) of the Borrower or in respect of any security offered or documents executed in respect of such loan or other financial assistance; and/or (vii) fraud which is proved to be on behalf of the Borrower in respect of any loan or any other financial assistance granted to the Borrower by the Lender or in respect of any security offered or documents executed in respect of such loan or other financial assistance; and/or (viii) the exercise of any of the rights by the Lender under any Finance Documents; and/or (ix) the Borrower engaging in activities in violation of Anti-Corruption Laws and Anti Money Laundering Laws, except to the extent that any such losses or damages are solely attributable to any negligent act or omission or fraud or wilful misconduct, breach of this Agreement or breach of statutory duty on the part of Lender.

For the purpose of this clause, group company or group establishment shall mean a subsidiary company or holding company in which the Borrower is having control, influence or substantial interest.

(3) Indemnity for communication through e-mail:

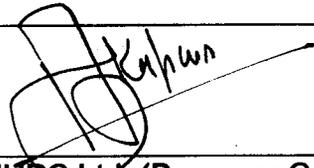
- (i) The Borrower hereby requests and authorizes the Lender to, from time to time, rely upon and act or omit to act in accordance with any directions, instructions and/or other communication which may from time to time be or purport to be given in connection with or in relation to this Agreement and the other Finance Documents by way of email by the Borrower or any of its Authorized Officers.
- (ii) The Borrower acknowledges that:
 - (a) sending information by email is not a secure means of sending information and is aware of the risks involved in sending email instructions, including the risk that email instructions may:

 State Bank of India (Lender)		 NHPC Ltd (Borrower Company)	
---	---	---	---

- (1) be fraudulently or mistakenly written, altered or sent; and
- (2) not be received in whole or in part by the intended recipient.

(b) the request to the Lender to accept and act on email instructions is for the convenience and benefit of the Borrower only.

- (iii) The Borrower further declares and confirms that it is aware that the Lender has agreed to act on the basis of instructions given by e-mail only by reason of and relying upon the Borrower providing this indemnity and agreeing, confirming, declaring and indemnifying the Lender hereunder and that the Lender would not have done so in the absence of such indemnity. The provisions of this Clause shall apply to any and all matters, communications, directions and instructions whatsoever in connection with the Agreement and the other Finance Documents.
- (iv) The Lender may (but shall not be obliged to) require that any instruction should contain or be accompanied by such identifying code or test as the Lender may from time to time specify and the Borrower shall be responsible for any improper use of such code or test.
- (v) Notwithstanding anything contained herein or elsewhere, the Lender shall not be bound to act in accordance with the whole or any part of the instructions or directions contained in any email and may, at their sole discretion and exclusive determination, decline or omit to act pursuant to any instruction, or defer acting in accordance with any instruction, and the same shall be at the risk of the Borrower and the Lender shall not be liable for the consequences of any such refusal or omission to act or deferment of action.
- (vi) In consideration of the Lender acting and/or agreeing to act pursuant to the terms of this writing and/or any instructions as provided in this writing, the Borrower hereby agrees to indemnify the Lender and keep the Lender at all times indemnified from and against all actions, suits, proceedings, costs, claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of or in any way related to the Lender having acted or omitted to act in accordance with or pursuant to any instruction received by email.
- (vii) Upon receipt by the Lender, each instruction shall constitute and (irrespective of whether or not it is in fact initiated or transmitted by the

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
--	--

Borrower or by any of its authorized officer) shall be deemed (if the Lender chose to act upon the same) to conclusively constitute the mandate of the Borrower, to the Lender to act or omit to act in accordance with the directions and instructions contained therein notwithstanding that such instruction may not have been authorized or may have been transmitted in error or fraudulently or may otherwise not have been authorized by or on behalf of the Borrower or any of its authorized officers or may have been altered, misunderstood or distorted in any manner in the course of communication.

- (viii) The Lender shall not be under any obligations at any time to maintain any special facility for the receipt of any instructions by way of email or to ensure the continued operations or availability of any such equipment/ technology.

(4) Right of Set-off and Lien

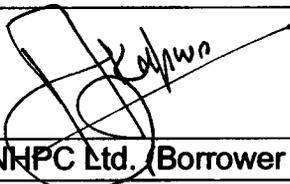
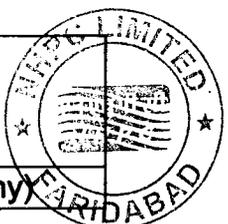
In addition to any rights now or hereafter granted under Applicable Law or otherwise, and not by way of limitation of any such rights, upon the occurrence and continuation of a Event of default, the Lender is authorized by the Borrower at any time or from time to time, without presentment, demand, protest or other notice of any kind to the Borrower or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special) and any Permitted Investments at any time held or owing by Lender (including, without limitation, by any branches and agencies other than the Lending Office of Lender) to or for the credit or the account of the Borrower against and on account of the obligations and liabilities of the Borrower to Lender under this Agreement or under any of the other Facility documents or, and all other claims of any nature or description arising out of or connected with this Agreement or any Facility document, irrespective of whether or not Lender shall have made any demand with respect thereto.

12. TAXES; REPORTING REQUIREMENTS

12.1 Tax gross up and Indemnities

12.1.1 Tax gross-up

- (i) All payments to be made by the Borrower to the Lender under the Facility Documents shall be made free and clear and without any deduction or withholding for or on account of Tax, save and except for any tax on income of the Lender ("Tax Deduction") unless the Borrower is required to make a Tax Deduction Applicable Law, in such case the sum payable by the Borrower (in respect of which such Tax Deduction is required to be made) shall be increased

			
State Bank of India (Lender)		NHPC Ltd. (Borrower Company)	

to the extent necessary to ensure that the Lender receives a sum net of any deduction withholding equal to the sum which it would have received had no such Deduction been made or required to be made;

- (ii) The Borrower has filed all tax returns required by Applicable Law and within the time period required by the Applicable Laws and has paid all Taxes and fees payable by it, within the time period required by Applicable Law, which have become due, pursuant to such tax returns and all other taxes or otherwise, other than those not yet delinquent or payment of which has been contested in good faith. The Borrower is not in arrears of any public undisputed demand such as Income-tax, corporation tax, and all other taxes and revenues and any other statutory dues payable to the Central or State governments or any local or other authority.

12.1.2 Tax indemnity

- (a) Notwithstanding anything to the contrary, the Borrower hereby agrees to indemnify the Lender and their respective officers, representatives and agents against any loss or expenses sustained or incurred by them as a result of: levy by any Government Authority of any charge, tax or penalty in connection with regularizing or perfecting any of the Financing Documents as may be required under Applicable Law at any time during the currency of the Facility, or getting any of the Financing Documents admitted into evidence, or relying on any Financing Documents for proving any claim; and/or.
- (b) If the Investor is required to make any payment on account of Tax other than income payable by the Investor or in relation to any sum received or receivable under any Facility Document or if any liability in respect of any such payment is asserted, imposed, levied assessed against the Investor, Company shall, within three (3) calendar days of demand the Investor, promptly pay the Investor the full amount of such payment or liability together with any interest, penalties, costs and expenses payable or incurred in connection therewith, provided that this clause 12.1.2 shall not apply to any Tax imposed on calculated by reference to the net income actually received or receivable by the Investor.

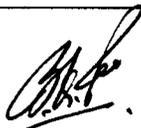
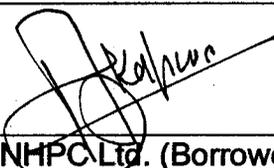
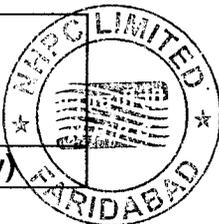
13. GOVERNING LAW AND DISPUTE RESOLUTION

13.1 This Agreement shall be governed and construed in accordance with the laws of India

13.2 The courts, tribunals at New Delhi shall have an exclusive jurisdiction in respect of all matters arising out of / in relation to this Agreement.

14. Prepayment

14.1 Prepayment is allowed fully and / or partially with 30 days' notice after 12 months from the disbursement of last tranche.

 State Bank of India (Lender Bank)	 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)	 NHPC LIMITED FARIDABAD
--	--	--	--

14.2 The prepayment charges shall be Nil.

15. MISCELLANEOUS

15.1 Further Assurances

Each Party shall co-operate with the other Party, execute and deliver to the other Party such instruments and documents and take such other actions as may be reasonably requested from time to time in order to carry out, evidence and confirm their rights and the intended purpose of the Agreement.

15.2 Notices

All notices, requests, consents, demands or other communication required or permitted to be given under the Agreement and the provisions contained herein shall be written in English and shall be sent by registered post, postage prepaid, or transmitted by facsimile transmission or couriered to the other Party at the address indicated below-

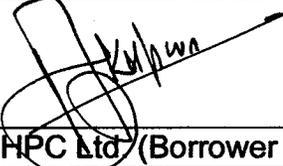
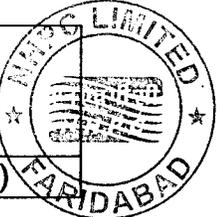
In the case of notices to the Borrower, to:

Address : NHPC Limited, NHPC office Complex, Sector 33, Faridabad,
Haryana – 121003
Attention : Mr. Anuj Kapoor, Executive Director (Finance)
Phone Number : (0129) 2259926
E-mail : anujkapoor@nhpc.nic.in

In the case of notices to the Lender, to:

Address : SBI CAG Delhi, 4th & 5th Floor, Parsvnath Capital Towers, Bhai
Veer Singh Marg, Gole Market, New Delhi - 110001
Attention : Mr. Bipin Kumar Rai, Dy. General Manager
Phone Number : (011) 23475501
E-mail : rmamt1.cagdel@sbi.co.in

or at such other address as the Party to whom such notices, requests, demands or other communication is to be given shall have last notified the Party giving the same in the manner provided in this clause, but no such change of address shall be deemed to have been given until it is delivered or deemed to be delivered in accordance with this clause 15.2.

			
State Bank of India (Lender Bank)		NHPC Ltd (Borrower Company)	

Any notice, request, demand, or other communication delivered to the Party to whom it is addressed as provided in this clause 15.2 shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if-

- (i) sent by mail, five (5) calendar days after posting it;
 - (ii) sent by courier, when received at the Party's physical address; and
- If sent by e-mail, when it is sent provided the sender does not receive an "undeliverable" message (if sent during business hours) or (if not sent during business hours) at the beginning of business hours of the following business day of sending of the e-mail.

15.3 Waivers and Acknowledgements

The Borrower hereby waives any right to terminate or revoke the Agreement until the Facility and interest thereon, fees, costs, charges, and all other amounts owed by and all other present and future obligations and liabilities under or in respect of the Facility Documents have been fully paid to the Lender.

15.4 Severability

If, at any time, any provision of the Agreement is or becomes illegal, invalid, or unenforceable in any respect, neither the legality, validity or enforceability of the remaining provisions will in any way be affected or impaired.

15.5 Amendments

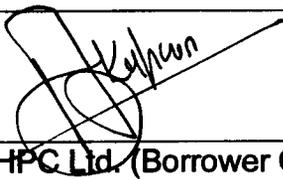
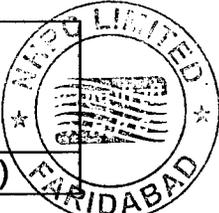
No modification, alteration, or amendment of the Agreement or any of its terms or provisions shall be valid or legally binding on the Parties unless made in writing and duly executed by or on behalf of the Parties.

15.6 Entire Agreement

The Agreement along with other Facility Documents constitute and represent the entire Agreement between the Parties with regard to the rights and obligations of each of the Parties and supersedes all prior arrangements, agreements, or understandings, if any, whether oral or in writing, between the Parties on the Facility hereof or in respect of matters dealt with herein.

16. CONSENT TO DISCLOSE NAME AND INFORMATION

- (i) The Borrower understands that as a precondition relating to the grant of the Facility to the Borrower, the Lender requires the Borrower's consent for the disclosure by the Lender of, information and data relating to the Borrower, of the Facility to be availed by the Borrower, in discharge thereof.

 State Bank of India (Lender Bank)		 NHPC Ltd. (Borrower Company)	
--	---	--	---

- (ii) Accordingly, the Borrower hereby agrees and gives consent for the disclosure by the Lender of all or any such:
- a) information and data relating to the Borrower;
 - b) the information or data relating to the Facility/Finance Documents; and
 - c) default, if any, committed by the Borrower, in discharge of the Borrower's Obligations under the Facility,

as the Lender may deem appropriate and necessary, to disclose and furnish to Credit Information Companies and any other agency authorized in this behalf by Reserve Bank of India ("RBI") and/or to Information Utilities ('IU') or any other person pursuant to the Insolvency and Bankruptcy Code, 2016; and/or to any other statutory or regulatory or law enforcement authority (including Court and/or Tribunals).

- (iii) The Borrower declares that the information and data furnished by the Borrower to the Lender are true and correct and hereby specifically agrees to promptly authenticate the 'financial information' submitted by the Lender, as and when requested by the concerned 'IU'.
- (iv) The Borrower agrees that notwithstanding any right available to the Lender under any Applicable Law for the time-being in force, the Borrower hereby further agrees and undertakes that the furnishing of information to IU and any default as reported by IU is sufficient to record the default for the purpose of filing/ initiating any proceedings including but not limited to filing application before the adjudicating authority under Insolvency and Bankruptcy Code, 2016 for insolvency resolution process.
- (v) The Borrower also undertakes that:
- a) Any CIC and any other agency so authorized may use, process the said information and data disclosed by the Lender in the manner as deemed fit by them; and
 - b) Any CIC and any other agency so authorized may furnish for consideration, the processed information and data disclosed or products thereof prepared by them, to bank(s)/ financial institution(s) and other credit grantors or registered users, as may be specified by the Reserve Bank of India in this behalf.
- (vi) The Borrower agrees, undertakes and authorizes the Lender to exchange, share or part with all the information, data or documents or other information as mentioned in this Clause and also the information relating to the conduct of

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

the Borrower's accounts, credit history or repayment record, with other banks / financial institutions involved in the financing arrangement to the Borrower, whether under consortium or multiple banking or sole banking arrangement and also with the banks/ financial institutions intending to finance the Borrower, as the Lender may deem necessary or appropriate as may be required for use or processing of the said information/ data by such banks/ financial institutions or furnishing of the processed information/ data to other banks/ financial institutions/ credit providers and the Borrower shall not hold the Lender liable in any manner for use of such information.

- (vii) The Borrower hereby agrees that in case the Borrower commits a default in payment or repayment of any amounts in respect of the Facility, the Lender and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Borrower, its directors, partners, as the case may be, as defaulters/ wilful defaulters, in such manner and through such medium as the Lender or RBI in their absolute discretion may think fit. In terms of RBI guidelines, the Lender shall have a right to publicize the names of the Borrower, upon the occurrence of a repayment default.

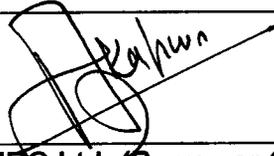
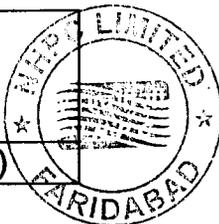
17. Insolvency and Bankruptcy

The Borrower covenants with the Lender that:

- (a) the Borrower shall not make or file any application or initiate any proceedings against itself under the Insolvency and Bankruptcy Code, 2016, without first discharging the Obligations towards the Lender;
- (b) the Borrower shall forthwith notify the Lender if any proceeding (CIRP initiated) under the Insolvency and Bankruptcy Code, 2016 against the Borrower;
- (c) the Borrower shall forthwith notify the Lender of the (i) receipt of any proceeding under Insolvency and Bankruptcy Code, 2016; or (ii) the occurrence of a default with a creditor (financial or operational).

18. Notwithstanding stated above the Bank reserve an unconditional right to cancel/terminate the right of the Borrower to avail of or make draws from the unavailed portion of the Facility sanctioned at any time during the currency of the Facility, without any prior notice to the Borrower,

- (a) in case the limits / part of the limits are not utilized, and /or
- (b) in case of deterioration in the loan accounts / creditworthiness in any manner whatsoever, and /or
- (c) in case of non-compliance of terms and conditions of sanction.

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

IN WITNESS WHEREOF THE PARTIES HERETO HAVE EXECUTED THESE PRESENTS THE DAY AND YEAR FIRST HEREINABOVE WRITTEN.

SIGNED AND DELIVERED by the Borrower, **NHPC LIMITED** by the hand of **Shri. Anuj Kapoor, (Executive Director (Finance))**, pursuant to the Resolutions of its Board on that behalf on **29.08.2025**.


ANUJ KAPOOR
 कार्यपालक निदेशक (वित्त)
 EXECUTIVE DIRECTOR (FINANCE)
 एन एच पी सी लिमिटेड NHPC Limited
 (भारत सरकार का उद्यम)
 सेक्टर-33, फरीदाबाद / Sector-33, Faridabad-1210 03

The **COMMON SEAL** of the within named **M/s NHPC Ltd.** pursuant to the authority granted by the Resolution of the Board of Directors passed on **29.08.2025** hereunto affixed in accordance with AOA of the Company and in the presence of **Sh. Suprakash Adhikari**,
 Director and **Sh. Mahesh Kumar Sharma**,
 Director duly authorized in this regard, who have signed these presents in token thereof.

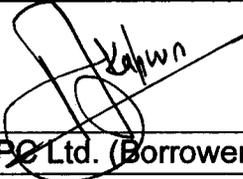

सुप्रकाश अधिकारी / Suprakash Adhikari
 निदेशक (तकनीकी) / Director (Technical)
 एन एच पी सी लिमिटेड / NHPC Limited
 (भारत सरकार का उद्यम / A Govt. of India Navratna Enterprise)
 सेक्टर-33, फरीदाबाद / Sector-33, Faridabad


 निदेशक (वित्त) / Director (Finance)
 एन एच पी सी लिमिटेड / NHPC Limited
 (भारत सरकार का उद्यम / A Govt. of India Enterprise)
 सेक्टर-33, फरीदाबाद / Sector - 33, Faridabad

SIGNED AND DELIVERED for and on behalf of **STATE BANK OF INDIA** by its authorized official **Shri Bipin Kumar Rai, Dy. General Manager & RM, CAG Branch, New Delhi - 110001**



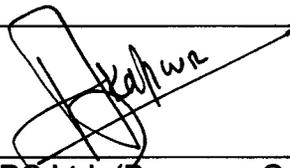
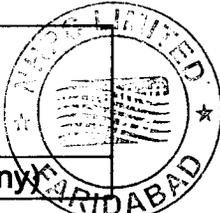

रुपा देब / RUPA DEB
 कम्पनी सचिव / Company Secretary
 एन एच पी सी लिमिटेड / NHPC Limited
 (भारत सरकार का उद्यम / A Govt. of India Enterprise)
 सेक्टर-33, फरीदाबाद / Sector-33, Faridabad

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

**SCHEDULE I
PARTICULARS OF THE FACILITY**

State Bank of India (SBI)	1854,32,87,889/-
Total	1854,32,87,889/-

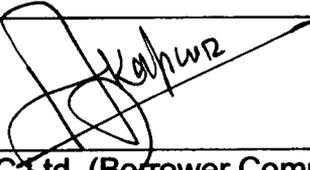
[Remainder of the page intentionally left blank]

 	 
State Bank of India (Lender Bank)	NHPCL Ltd. (Borrower Company)

SCHEDULE II
Lender's/Investor's Sanction Letter
(to be annexed)

Sanction Letter bearing Ref. No. **CAG/AMT-1/2025-26/460** dated **24.11.2025**, annexed with this document and as amended from time to time, shall govern the facility and forms an integral part of the Facility Documents.

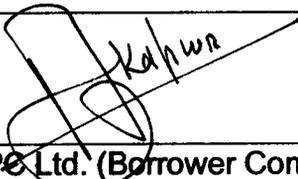
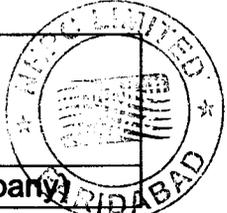
[Remainder of the page intentionally left blank]

 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)
--	--

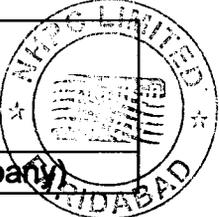


**SCHEDULE III
DEFINITIONS AND INTERPRETATION**

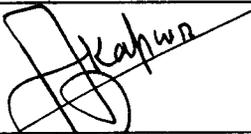
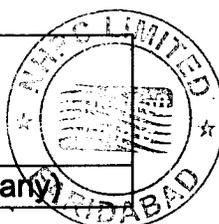
"Abandonment"	shall mean withdrawing or giving up of the Power Station by the Company and shall include cessation or suspension of performance of obligations by the Company in respect of the whole or any part of the Power Station. The term "Abandon" shall be construed accordingly.
"Act"	shall mean the Companies Act, 2013, along with all applicable rules and regulations framed in connection therewith, as amended from time to time.
"Additional Payment"	shall mean the additional amount payable by the Company per month, over and above the Return on equity (RoE) / Fixed Component Payment, in case the Effective Discount Rate is higher than the Quoted Discount Rate. Provided that in case the Effective Discount Rate is lower than the Quoted Discount Rate, the RoE / Fixed Component shall be reduced accordingly and same shall be credited to the EA.
"Amortization Schedule"	shall mean the schedule of repayment of the Disbursed Facility as set forth in Schedule VII.
"Applicable" Laws"	shall mean the laws of Republic of India.
"Auditor Certificate"	shall mean any certificate to be issued by the statutory auditors of the borrower or any other Auditor, in line with the requirement of the lender or otherwise
"Benchmark Rate"	shall mean the: 3-M (91 days) T-Bill (FBIL Website).
"Bid Documents"	shall mean the bid documents issued by Borrower in relation to the Facility.
"Business Day"	shall mean: <ul style="list-style-type: none"> • in relation to the making of any Disbursement or cancellation of Facility, by a Lender, any day on which such Lender is required or authorized by law to be open for business in the place of its lending. • in relation to all other matters, a day (other than 2nd and 4th Saturday, Sunday or a bank holiday) on which banks are normally open for business in Delhi.

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
---	---

"Company representations and warranties"	means and refers to the representations and warranties as set out in Schedule VIII;
"Condition(s) Precedent"	means the conditions precedent specified in clause 3.1 which are required to be satisfied by the Company;
"Disbursement"	means the lending and release of Facility by the Lender to the Borrower on the Drawdown Date(s), in accordance with the terms and conditions contained in this Agreement / Sanction Letter.
"Disbursed Facility"	shall mean the aggregate of all Disbursements from time to time.
"Drawdown Date"	means the Business Day on which the Disbursement of Facility shall take place following receipt by the Lender of a Drawdown Notice.
"Due Date"	shall mean and refer the following: <ul style="list-style-type: none"> • for repayment of the RoE/Fixed Component Payment - the First Fixed Component Payment Date or the Subsequent Fixed Component Payment Date, as the case may be, as detailed in the Sanction Letter; and • for payment of Additional Payment – as detailed in the Sanction Letter.
"Effective Discount Rate"	shall mean at any relevant time, the Benchmark Rate plus the Spread.
"Escrow Account"	shall have the meaning specified in the Escrow Account Agreement.
"Escrow Account Agreement"	shall mean the escrow account agreement entered into or to be entered into between the Borrower, the Lender and the Escrow Bank.
"Escrow Bank"	shall have the meaning specified to it in the Escrow Account Agreement.
"Event of Default"	means any event specified as being an event of default under clause 9.2.

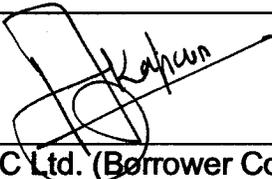
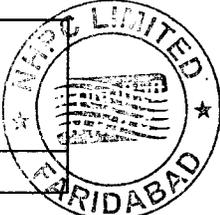
 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

"Financial Year"	shall mean the accounting period commencing from April 1st of each year till March 31st of next year.
"First Fixed Component Payment Date"	shall have the meaning ascribed to it under Clause 5.1.1 of this Agreement.
"Facility Documents"	means collectively the Agreement, Sanction Letter, Escrow Agreement, Security Agreement and all other instruments, agreements and documents pertaining to or relating to the Agreement as amended, modified, varied, and supplemented from time to time and any other related document executed in relation to the Facility;
"Fixed Component Payment"	means the return on equity of INR 21.15 crore per month towards the repayment of the Facility.
"Governmental Approval"	means any material authorization, approval, consent, license or permit required from any Governmental Authority or pursuant to any Applicable Law;
"Interest"	shall mean interest on the outstanding Disbursed Facility payable by the Borrower to the Lender at the Quoted Discount Rate or Effective Discount Rate, as per mechanism detailed in Sanction Letter.
"Interest Payment Date(s)"	shall have the meaning ascribed to it under Clause 5.1.2. of this Agreement.
"Material Adverse Effect"	shall mean an event or circumstance which has a material adverse effect on or a material adverse change in: The financial condition, assets, operations, or business of the Company; or The ability of the Company to perform its obligations under the Facility Documents; or <ul style="list-style-type: none"> The validity, legality or enforceability of Facility Documents. Any other as detailed under Point 29 of Sanction Letter.

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

"Person(s)"	shall unless specifically provided otherwise mean any individual, corporation, partnership, association of persons, joint venture company, joint stock company, trust or Government authority as the context may admit.
"Power Stations"	shall have the meaning ascribed to it under Recital A
"Purpose"	means the utilization of the Facility for the purposes detailed in Clause 2.2 of this Agreement / Sanction Letter in accordance with the Applicable Laws.
"Quoted Discount Rate"	shall mean the rate quoted by the Lender in response to the Bid Documents, that is 6.60% p.a.
"Receivables"	shall mean collectively the Fixed Component Amount and Additional Payment.
"Sanction Letter"	shall mean the sanction letter issued by the Lender dated 24.11.2025 bearing reference number CAG/AMT-1/2025-26/460, as amended from time to time.
"Security"	shall have the meaning ascribed to it under Clause 2.4 of this Agreement.
"Security Documents"	shall mean the deed of hypothecation of Escrow Account executed/to be executed by the Company and such other documents/agreements that may be entered into or delivered or deposited with the Lender for creating, effecting, perfecting and maintaining the Security, in a form and substance satisfactory to the Investor.
"Spread"	shall mean 115 bps or as detailed in the Sanction Letter.
"Subsequent Fixed Component"	shall mean the date occurring after the expiry of every one-month period from First Fixed Component Payment Date as per the mechanism detailed in this Agreement / Sanction Letter.
"Tax"	means any interest tax, other levies, duties if any, applicable as per the Agreement.

[Remainder of the page intentionally left blank]

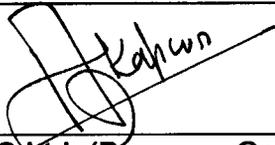
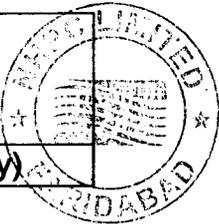
 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

Interpretation

In the Agreement,

- (i) any reference to the singular shall include the plural and vice-versa;
- (ii) any reference to the masculine, the feminine and the neuter shall include each other;
- (iii) any reference to a "company" shall include a body corporate;
- (iv) the recitals and schedules form part of the Agreement and shall have the same force and effect as if expressly set out in the body of the Agreement, and any reference to the Agreement shall include all recitals and schedules to it. Any references to clauses and schedules are references to the clauses and schedules to the Agreement. Any references to parts or paragraphs are, unless otherwise stated, reference to parts or paragraphs of the schedule in which the reference appears.

[Remainder of the page intentionally left blank]

			
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)		

**SCHEDULE IV
CONDITIONS PRECEDENT**

(i) The Company submitting certified, true and up-to date (where applicable) copies of the following to the Investor-

(a) its memorandum of association and articles of association;

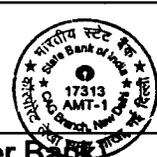
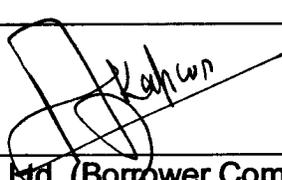
(b) a resolution by the board of directors of the Company accepting the Facility and approving the execution, delivery and performance of the Facility Documents and authorizing a key managerial person or persons to sign, execute and deliver each such document and any other documents to be delivered pursuant thereto and it's noting thereof by the board;

(c) a resolution of its shareholders under Section 180 of the Act authorizing the borrowing of monies and creation of security, if any.

The Company submitting a certificate from its statutory auditors/company secretary confirming that the Facility would be within the borrowing limits of the resolution of the shareholder's as set out above; and

(iii) The Company's Representations and Warranties having remained accurate and absence of any breach of the covenants or any other provision of the Facility Documents by the Company.

[Remainder of the page intentionally left blank]

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

**SCHEDULE V
DRAWDOWN NOTICE**

[please insert date]

To,
Dy. General Manager & RM
State Bank of India
Corporate Accounts Group (CAG) Branch
5th Floor, Parsvnath Capital Tower
Bhai Veer Singh Marg, Gole Market
New Delhi - 110001

Dear Sirs,

Subject: Facility Agreement dated 08.12.2025

1. Please refer to the facility agreement executed between Investor and the NHPC Limited (the "Company") on 08.12.2025 (the "Agreement"). All terms defined in the Agreement shall bear the same meanings herein.

2. The Company hereby requests the Disbursement on [●] (or as soon as practicable thereafter) of the amount of [●] under the Facility in accordance with the provisions of clause 4 of the Agreement.

3. For the purposes of the Agreement, the Company hereby certifies as follows:

(a) no Event of Default has occurred or is continuing and there is no likelihood of the occurrence of such an Event of Default to the best of its knowledge and belief;

(b) the proceeds of the Disbursement are, at the date of this request required by the Company for the Purpose(s);

(c) nothing has occurred which has or could reasonably be expected to have a Material Adverse Effect and the Company has not incurred any material loss or liability;

(d) the Company's Representations and Warranties made in the Agreement are true on and as of the date of this request and will be true on and as of the Drawdown Date with the same effect as if such representations and warranties had been made on and as of each such date;

(e) the Company hereby certifies that all of the conditions in clause 3.1 of the Agreement have been satisfied; and

(f) after giving effect to the Disbursement, the Company will not be in violation of:

 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)
--	--



- its organizational documents;
- any provision contained in any document to which the Company is a party (including the Agreement) or by which the Company is bound; or
- any law, rule, regulation, authorization, agreement or other document binding on the Company directly or indirectly, limiting or otherwise restricting the Company's borrowing power or authority or its ability to borrow.

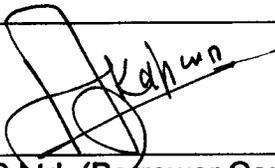
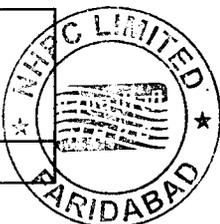
The above certifications are effective as of the date of this request for Disbursement and shall continue to be effective as of the Drawdown Date. If any of these certifications is no longer valid as on or prior to the date of the requested Disbursement, the Company will immediately notify the Investor.

IN WITNESS WHEREOF, I have hereunto set my hand this day of [●], 2025

For NHPC Limited,

By:
Name:
Designation:

[Remainder of the page intentionally left blank]

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

SCHEDULE VI COVENANTS

A. POSITIVE COVENANTS

i) Inspection

The Company shall permit and make suitable arrangements for the representatives, authorized officers, agents or employees of the Investor to visit and inspect its offices, its properties and assets, in relation to the Receivables and examine the Company's books of records, account with prior written notice of 10 (ten) Business Days.

ii) Maintenance of Existence; Books and Records

The Company shall preserve and maintain its legal existence as a company engaged in the implementation of the Power Station and activities related and incidental thereto and shall maintain proper books of record as are necessary to reflect the financial condition truly, accurately and correctly, operations of the Company and scale of its operations.

iii) Applicable Laws

The Company shall comply in all material respects with the Applicable Law including in relation to the conduct of its business and operation and maintenance of the Power Station.

iv) Maintenance of Accounts

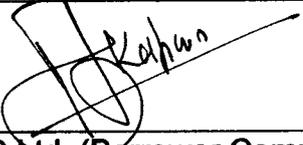
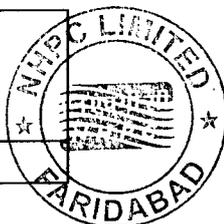
The Company shall open and maintain the Escrow Account with the Escrow Bank and shall ensure deposit of all Receivables into the Escrow Account to be opened and maintained in terms of the Escrow Account Agreement.

v) Use of Proceeds

The Company acknowledges and agrees that the proceeds of the Facility shall be utilized for the Purpose and shall not be used for any other purpose whatsoever.

vi) Taxes Duties

The Company shall pay and discharge all Taxes and other statutory dues imposed on or payable by it including Taxes on its income, profits or on any of its property and shall file all returns relating to such Taxes.

			
State Bank of India (Lender Bank)		NHPC Ltd. (Borrower Company)	

B. NEGATIVE COVENANTS

The Company shall not, without the prior written consent of the Investor:

(a) Change in Business and Operations

Effect any change to the Company's business and operations having Material Adverse Effect.

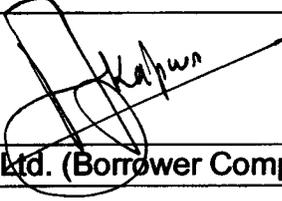
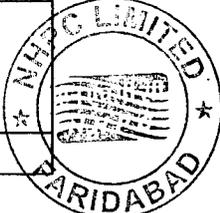
(b) Abandonment

The Company shall not Abandon or agree to Abandon the Power Station.

(c) Insolvency

The Company shall not initiate any voluntary insolvency or bankruptcy proceeding of any nature whatsoever. The borrower also agree to comply with the Mandatory and Mandatory Negative Covenants mentioned in Sanction Letter.

[Remainder of the page intentionally left blank]

			
State Bank of India (Lender Bank)		NHPC Ltd. (Borrower Company)	

SCHEDULE VII

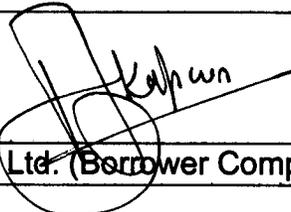
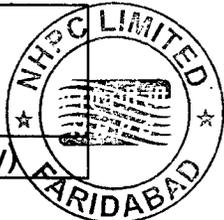
ILLUSTRATIVE AMORTIZATION SCHEDULE¹

(all figures in INR crore, unless specified)

While the actual repayment of First Fixed Component, Subsequent Fixed Component, Additional Payment and any other amount due on the borrower, if any, shall be governed by the mechanism as detailed in this Agreement as well as the Sanction Letter, however for the purpose of illustration / reference, an indicative amortization schedule is presented herewith.

Considering that the first disbursement is made on 10.12.2025 for the entire amount (i.e. the entire sanctioned monetization / TL facility gets drawn in a single tranche on the above date), the illustrative Amortization / Repayment Schedule is presented as under:

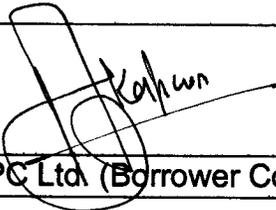
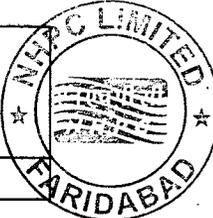
End of Period	Period	Opening Balance	Total Payment	Interest	Principal	Closing Bal
Dec-25	0	18,54,32,87,889	7,37,66,723	7,37,66,723	0.00	18,54,32,87,889
Jan-26	1	18,54,32,87,889	21,15,00,000	10,19,88,083	10,95,11,917	18,43,37,75,972
Feb-26	2	18,43,37,75,972	21,15,00,000	10,13,85,768	11,01,14,232	18,32,36,61,740
Mar-26	3	18,32,36,61,740	21,15,00,000	10,07,80,140	11,07,19,860	18,21,29,41,880
Apr-26	4	18,21,29,41,880	21,15,00,000	10,01,71,180	11,13,28,820	18,10,16,13,060
May-26	5	18,10,16,13,060	21,15,00,000	9,95,58,872	11,19,41,128	17,98,96,71,932
Jun-26	6	17,98,96,71,932	21,15,00,000	9,89,43,196	11,25,56,804	17,87,71,15,128
Jul-26	7	17,87,71,15,128	21,15,00,000	9,83,24,133	11,31,75,867	17,76,39,39,261
Aug-26	8	17,76,39,39,261	21,15,00,000	9,77,01,666	11,37,98,334	17,65,01,40,927
Sep-26	9	17,65,01,40,927	21,15,00,000	9,70,75,775	11,44,24,225	17,53,57,16,702

  State Bank of India (Lender Bank)	  NHPC Ltd. (Borrower Company)
---	---

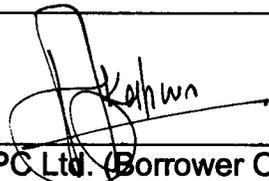
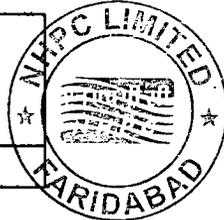
Oct-26	10	17,53,57,16,702	21,15,00,000	9,64,46,442	11,50,53,558	17,42,06,63,144
Nov-26	11	17,42,06,63,144	21,15,00,000	9,58,13,647	11,56,86,353	17,30,49,76,791
Dec-26	12	17,30,49,76,791	21,15,00,000	9,51,77,372	11,63,22,628	17,18,86,54,163
Jan-27	13	17,18,86,54,163	21,15,00,000	9,45,37,598	11,69,62,402	17,07,16,91,761
Feb-27	14	17,07,16,91,761	21,15,00,000	9,38,94,305	11,76,05,695	16,95,40,86,066
Mar-27	15	16,95,40,86,066	21,15,00,000	9,32,47,473	11,82,52,527	16,83,58,33,539
Apr-27	16	16,83,58,33,539	21,15,00,000	9,25,97,084	11,89,02,916	16,71,69,30,624
May-27	17	16,71,69,30,624	21,15,00,000	9,19,43,118	11,95,56,882	16,59,73,73,742
Jun-27	18	16,59,73,73,742	21,15,00,000	9,12,85,556	12,02,14,444	16,47,71,59,298
Jul-27	19	16,47,71,59,298	21,15,00,000	9,06,24,376	12,08,75,624	16,35,62,83,674
Aug-27	20	16,35,62,83,674	21,15,00,000	8,99,59,560	12,15,40,440	16,23,47,43,234
Sep-27	21	16,23,47,43,234	21,15,00,000	8,92,91,088	12,22,08,912	16,11,25,34,322
Oct-27	22	16,11,25,34,322	21,15,00,000	8,86,18,939	12,28,81,061	15,98,96,53,261
Nov-27	23	15,98,96,53,261	21,15,00,000	8,79,43,093	12,35,56,907	15,86,60,96,354
Dec-27	24	15,86,60,96,354	21,15,00,000	8,72,63,530	12,42,36,470	15,74,18,59,884
Jan-28	25	15,74,18,59,884	21,15,00,000	8,65,80,229	12,49,19,771	15,61,69,40,113
Feb-28	26	15,61,69,40,113	21,15,00,000	8,58,93,171	12,56,06,829	15,49,13,33,284
Mar-28	27	15,49,13,33,284	21,15,00,000	8,52,02,333	12,62,97,667	15,36,50,35,617
Apr-28	28	15,36,50,35,617	21,15,00,000	8,45,07,696	12,69,92,304	15,23,80,43,312
May-28	29	15,23,80,43,312	21,15,00,000	8,38,09,238	12,76,90,762	15,11,03,52,551
Jun-28	30	15,11,03,52,551	21,15,00,000	8,31,06,939	12,83,93,061	14,98,19,59,490
Jul-28	31	14,98,19,59,490	21,15,00,000	8,24,00,777	12,90,99,223	14,85,28,60,267
Aug-28	32	14,85,28,60,267	21,15,00,000	8,16,90,731	12,98,09,269	14,72,30,50,998



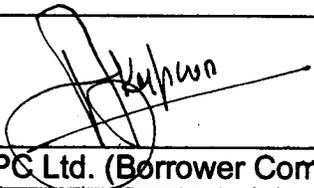
State Bank of India (Lender Bank)

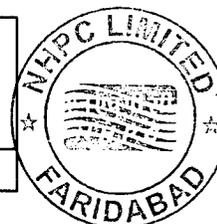


NHPC Ltd (Borrower Company)

Sep-28	33	14,72,30,50,998	21,15,00,000	8,09,76,780	13,05,23,220	14,59,25,27,779
Oct-28	34	14,59,25,27,779	21,15,00,000	8,02,58,903	13,12,41,097	14,46,12,86,682
Nov-28	35	14,46,12,86,682	21,15,00,000	7,95,37,077	13,19,62,923	14,32,93,23,758
Dec-28	36	14,32,93,23,758	21,15,00,000	7,88,11,281	13,26,88,719	14,19,66,35,039
Jan-29	37	14,19,66,35,039	21,15,00,000	7,80,81,493	13,34,18,507	14,06,32,16,532
Feb-29	38	14,06,32,16,532	21,15,00,000	7,73,47,691	13,41,52,309	13,92,90,64,223
Mar-29	39	13,92,90,64,223	21,15,00,000	7,66,09,853	13,48,90,147	13,79,41,74,076
Apr-29	40	13,79,41,74,076	21,15,00,000	7,58,67,957	13,56,32,043	13,65,85,42,033
May-29	41	13,65,85,42,033	21,15,00,000	7,51,21,981	13,63,78,019	13,52,21,64,015
Jun-29	42	13,52,21,64,015	21,15,00,000	7,43,71,902	13,71,28,098	13,38,50,35,917
Jul-29	43	13,38,50,35,917	21,15,00,000	7,36,17,698	13,78,82,302	13,24,71,53,614
Aug-29	44	13,24,71,53,614	21,15,00,000	7,28,59,345	13,86,40,655	13,10,85,12,959
Sep-29	45	13,10,85,12,959	21,15,00,000	7,20,96,821	13,94,03,179	12,96,91,09,780
Oct-29	46	12,96,91,09,780	21,15,00,000	7,13,30,104	14,01,69,896	12,82,89,39,884
Nov-29	47	12,82,89,39,884	21,15,00,000	7,05,59,169	14,09,40,831	12,68,79,99,053
Dec-29	48	12,68,79,99,053	21,15,00,000	6,97,83,995	14,17,16,005	12,54,62,83,048
Jan-30	49	12,54,62,83,048	21,15,00,000	6,90,04,557	14,24,95,443	12,40,37,87,605
Feb-30	50	12,40,37,87,605	21,15,00,000	6,82,20,832	14,32,79,168	12,26,05,08,437
Mar-30	51	12,26,05,08,437	21,15,00,000	6,74,32,796	14,40,67,204	12,11,64,41,233
Apr-30	52	12,11,64,41,233	21,15,00,000	6,66,40,427	14,48,59,573	11,97,15,81,660
May-30	53	11,97,15,81,660	21,15,00,000	6,58,43,699	14,56,56,301	11,82,59,25,359
Jun-30	54	11,82,59,25,359	21,15,00,000	6,50,42,589	14,64,57,411	11,67,94,67,949
Jul-30	55	11,67,94,67,949	21,15,00,000	6,42,37,074	14,72,62,926	11,53,22,05,022

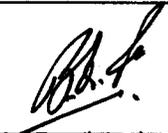
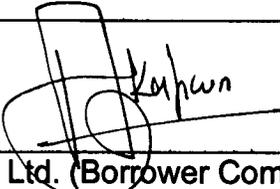
 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

Aug-30	56	11,53,22,05,022	21,15,00,000	6,34,27,128	14,80,72,872	11,38,41,32,150
Sep-30	57	11,38,41,32,150	21,15,00,000	6,26,12,727	14,88,87,273	11,23,52,44,877
Oct-30	58	11,23,52,44,877	21,15,00,000	6,17,93,847	14,97,06,153	11,08,55,38,724
Nov-30	59	11,08,55,38,724	21,15,00,000	6,09,70,463	15,05,29,537	10,93,50,09,187
Dec-30	60	10,93,50,09,187	21,15,00,000	6,01,42,551	15,13,57,449	10,78,36,51,737
Jan-31	61	10,78,36,51,737	21,15,00,000	5,93,10,085	15,21,89,915	10,63,14,61,822
Feb-31	62	10,63,14,61,822	21,15,00,000	5,84,73,040	15,30,26,960	10,47,84,34,862
Mar-31	63	10,47,84,34,862	21,15,00,000	5,76,31,392	15,38,68,608	10,32,45,66,253
Apr-31	64	10,32,45,66,253	21,15,00,000	5,67,85,114	15,47,14,886	10,16,98,51,368
May-31	65	10,16,98,51,368	21,15,00,000	5,59,34,183	15,55,65,817	10,01,42,85,550
Jun-31	66	10,01,42,85,550	21,15,00,000	5,50,78,571	15,64,21,429	9,85,78,64,121
Jul-31	67	9,85,78,64,121	21,15,00,000	5,42,18,253	15,72,81,747	9,70,05,82,374
Aug-31	68	9,70,05,82,374	21,15,00,000	5,33,53,203	15,81,46,797	9,54,24,35,577
Sep-31	69	9,54,24,35,577	21,15,00,000	5,24,83,396	15,90,16,604	9,38,34,18,972
Oct-31	70	9,38,34,18,972	21,15,00,000	5,16,08,804	15,98,91,196	9,22,35,27,777
Nov-31	71	9,22,35,27,777	21,15,00,000	5,07,29,403	16,07,70,597	9,06,27,57,179
Dec-31	72	9,06,27,57,179	21,15,00,000	4,98,45,164	16,16,54,836	8,90,11,02,344
Jan-32	73	8,90,11,02,344	21,15,00,000	4,89,56,063	16,25,43,937	8,73,85,58,407
Feb-32	74	8,73,85,58,407	21,15,00,000	4,80,62,071	16,34,37,929	8,57,51,20,478
Mar-32	75	8,57,51,20,478	21,15,00,000	4,71,63,163	16,43,36,837	8,41,07,83,641
Apr-32	76	8,41,07,83,641	21,15,00,000	4,62,59,310	16,52,40,690	8,24,55,42,951
May-32	77	8,24,55,42,951	21,15,00,000	4,53,50,486	16,61,49,514	8,07,93,93,437
Jun-32	78	8,07,93,93,437	21,15,00,000	4,44,36,664	16,70,63,336	7,91,23,30,101

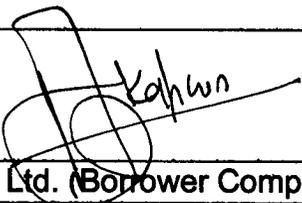
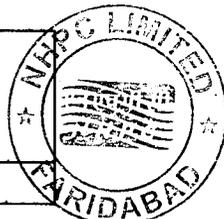
 	
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)



Jul-32	79	7,91,23,30,101	21,15,00,000	4,35,17,816	16,79,82,184	7,74,43,47,916
Aug-32	80	7,74,43,47,916	21,15,00,000	4,25,93,914	16,89,06,086	7,57,54,41,830
Sep-32	81	7,57,54,41,830	21,15,00,000	4,16,64,930	16,98,35,070	7,40,56,06,760
Oct-32	82	7,40,56,06,760	21,15,00,000	4,07,30,837	17,07,69,163	7,23,48,37,597
Nov-32	83	7,23,48,37,597	21,15,00,000	3,97,91,607	17,17,08,393	7,06,31,29,204
Dec-32	84	7,06,31,29,204	21,15,00,000	3,88,47,211	17,26,52,789	6,89,04,76,415
Jan-33	85	6,89,04,76,415	21,15,00,000	3,78,97,620	17,36,02,380	6,71,68,74,035
Feb-33	86	6,71,68,74,035	21,15,00,000	3,69,42,807	17,45,57,193	6,54,23,16,842
Mar-33	87	6,54,23,16,842	21,15,00,000	3,59,82,743	17,55,17,257	6,36,67,99,585
Apr-33	88	6,36,67,99,585	21,15,00,000	3,50,17,398	17,64,82,602	6,19,03,16,982
May-33	89	6,19,03,16,982	21,15,00,000	3,40,46,743	17,74,53,257	6,01,28,63,726
Jun-33	90	6,01,28,63,726	21,15,00,000	3,30,70,750	17,84,29,250	5,83,44,34,476
Jul-33	91	5,83,44,34,476	21,15,00,000	3,20,89,390	17,94,10,610	5,65,50,23,866
Aug-33	92	5,65,50,23,866	21,15,00,000	3,11,02,631	18,03,97,369	5,47,46,26,497
Sep-33	93	5,47,46,26,497	21,15,00,000	3,01,10,446	18,13,89,554	5,29,32,36,943
Oct-33	94	5,29,32,36,943	21,15,00,000	2,91,12,803	18,23,87,197	5,11,08,49,746
Nov-33	95	5,11,08,49,746	21,15,00,000	2,81,09,674	18,33,90,326	4,92,74,59,420
Dec-33	96	4,92,74,59,420	21,15,00,000	2,71,01,027	18,43,98,973	4,74,30,60,446
Jan-34	97	4,74,30,60,446	21,15,00,000	2,60,86,832	18,54,13,168	4,55,76,47,279
Feb-34	98	4,55,76,47,279	21,15,00,000	2,50,67,060	18,64,32,940	4,37,12,14,339
Mar-34	99	4,37,12,14,339	21,15,00,000	2,40,41,679	18,74,58,321	4,18,37,56,018
Apr-34	100	4,18,37,56,018	21,15,00,000	2,30,10,658	18,84,89,342	3,99,52,66,676
May-34	101	3,99,52,66,676	21,15,00,000	2,19,73,967	18,95,26,033	3,80,57,40,643

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

Jun-34	102	3,80,57,40,643	21,15,00,000	2,09,31,574	19,05,68,426	3,61,51,72,216
Jul-34	103	3,61,51,72,216	21,15,00,000	1,98,83,447	19,16,16,553	3,42,35,55,663
Aug-34	104	3,42,35,55,663	21,15,00,000	1,88,29,556	19,26,70,444	3,23,08,85,220
Sep-34	105	3,23,08,85,220	21,15,00,000	1,77,69,869	19,37,30,131	3,03,71,55,088
Oct-34	106	3,03,71,55,088	21,15,00,000	1,67,04,353	19,47,95,647	2,84,23,59,441
Nov-34	107	2,84,23,59,441	21,15,00,000	1,56,32,977	19,58,67,023	2,64,64,92,418
Dec-34	108	2,64,64,92,418	21,15,00,000	1,45,55,708	19,69,44,292	2,44,95,48,126
Jan-35	109	2,44,95,48,126	21,15,00,000	1,34,72,515	19,80,27,485	2,25,15,20,641
Feb-35	110	2,25,15,20,641	21,15,00,000	1,23,83,364	19,91,16,636	2,05,24,04,005
Mar-35	111	2,05,24,04,005	21,15,00,000	1,12,88,222	20,02,11,778	1,85,21,92,227
Apr-35	112	1,85,21,92,227	21,15,00,000	1,01,87,057	20,13,12,943	1,65,08,79,284
May-35	113	1,65,08,79,284	21,15,00,000	90,79,836	20,24,20,164	1,44,84,59,120
Jun-35	114	1,44,84,59,120	21,15,00,000	79,66,525	20,35,33,475	1,24,49,25,645
Jul-35	115	1,24,49,25,645	21,15,00,000	68,47,091	20,46,52,909	1,04,02,72,736
Aug-35	116	1,04,02,72,736	21,15,00,000	57,21,500	20,57,78,500	83,44,94,236
Sep-35	117	83,44,94,236	21,15,00,000	45,89,718	20,69,10,282	62,75,83,955
Oct-35	118	62,75,83,955	21,15,00,000	34,51,712	20,80,48,288	41,95,35,666
Nov-35	119	41,95,35,666	21,15,00,000	23,07,446	20,91,92,554	21,03,43,112
Dec-35	120	21,03,43,112	21,15,00,000	11,56,887	21,03,43,113	0
			25,38,00,00,000	6,83,67,12,111	18,54,32,87,889	

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)

**SCHEDULE VIII
COMPANY REPRESENTATIONS AND WARRANTIES**

1. Existence and Ability

1.1. The Company is duly organized and validly existing under the laws of India and is in good standing.

1.2 The Company has all corporate powers and material Governmental Approvals, required to own its property and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates.

2. Power and Authority

The Company has the full legal right, capacity and authority to enter into the Facility Documents to which it is a party, and the Facility Documents constitute legal, valid and binding obligations on the Company. The Company has the corporate power and authority to execute and deliver the terms and provisions of the Facility Documents and has taken all necessary corporate actions to authorize the execution and delivery of the Facility Documents and the transactions contemplated hereby.

3. Valid and Binding Obligation

Facility Documents constitutes a legally valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditors' rights or the application of equitable principles.

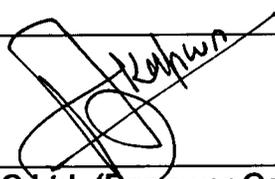
4. No Violation

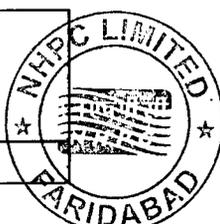
The execution, delivery and performance by the Company of the Facility Documents and the compliance by it with the terms and provisions thereof do not and will not-

(i) contravene any material provision of any Applicable Law, statute, rules or regulations or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject; or

(ii) conflict with or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under, any agreement, contract or instrument to which it is a party or by which, it or any of its property or assets is bound or to which it may be subject; or

(iii) violate any material provision of its memorandum and articles of association and other constitutional documents.

 State Bank of India (Lender Bank)	 NHPC Ltd. (Borrower Company)
--	--



5. Litigation

To the best of knowledge of the Company, there are no material claims, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to the Company which could reasonably be expected to have a Material Adverse Effect.

6. Insolvency

The Company has not taken any corporate action and to the best of its knowledge no other steps have been taken or legal proceedings have been started or any application is filed against it for its winding-up, bankruptcy, dissolution, administration or reorganization including no action (voluntary or involuntary) for liquidation / insolvency, under Insolvency and Bankruptcy Code, 2016 has been taken and/or is pending or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer or of any or all of its assets or revenues.

7. Borrowings

7.1 The total amount borrowed by the Company does not exceed any limitation on their borrowings contained in its articles of association, or in any resolution of its Board, or other deed or document binding on the Company.

7.2 To the best of its knowledge, no event of default or breach-

(a) which has or would entitle a lender or other counterparty of any borrowing to require the payment or repayment of such borrowing before its normal or originally stated maturity; or

(b) which is or shall be such as to terminate, cancel or render incapable of exercise any entitlement to draw money or other rights of the Company under a written agreement related to any borrowing, has been declared by the lender or counter party of such borrowing or has occurred or is expected to occur in relation to such borrowing.

7.3 The Company is not in breach of its material obligations, undertakings, or covenants under any of the loan agreements entered into with its lenders.

8. Compliance with Applicable Laws

The Company to the best of its knowledge, has complied with all material Applicable Laws in India and there has not been and there is no investigation, enquiry, order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the knowledge of the Company, anticipated against the Company which would have

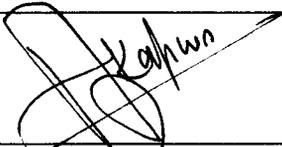
			
State Bank of India (Lender Bank)		NHPC Ltd. (Borrower Company)	

a Material Adverse Effect.

9. Material Adverse Effect

To the best of its knowledge, there are no facts or circumstances, conditions or occurrences, which could collectively or otherwise be expected to result in Material Adverse Effect.

[Remainder of the page intentionally left blank]

 	 
State Bank of India (Lender Bank)	NHPC Ltd. (Borrower Company)



(This is a Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008)

NHPC LIMITED

(A Government of India Enterprise)

Regd. Office: NHPC Office Complex, Sector-33, Faridabad-121003 (Haryana)

Tel: (0129) 2278410 Fax (0129) 2270902

Website: www.nhpcindia.com E-mail: webmaster@nhpc.nic.in

(The Company was incorporated on November 7, 1975 under the Companies Act, 1956 (the “Companies Act”) as a private limited company under the name ‘National Hydroelectric Power Corporation Private Limited’. The word ‘private’ was subsequently deleted on September 18, 1976. Our Company was converted into a public limited company with effect from April 2, 1986. The name of the company was changed to ‘NHPC Limited’ with effect from March 28, 2008.)

DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF 9.00% SECURED NON-CUMULATIVE NON CONVERTIBLE REDEEMABLE TAXABLE BONDS (P SERIES) IN THE NATURE OF DEBENTURES OF RS. 10 LAKH EACH FOR CASH AT PAR AGGREGATING TO RS 2000 CRORE

TRUSTEES FOR THE BONDHOLDERS

IDBI Trusteeship Services Ltd.

Registered office,

Asiad Building,

17, R Kamani Marg

Mumbai-400 001

Tel No: (022) 40807000

Fax No. 91-22-66311776

E-mail: itsl@idbitrustee.co.in

REGISTRAR TO THE ISSUE

RCMC Share Registry Pvt. Ltd.

Corporate Office,

Ground Floor, B-106,

Sector-2, Noida-201301,UP

Tel No: (0120) 4015800

Fax No. 91-120-2444346

E-mail: shares@rcmcdelhi.com

This taxable bond issue is being made on a private placement basis. It is not and should not be deemed to constitute an offer to the public in general. It cannot be accepted by any person other than to whom it has been specifically addressed.

The contents of this Disclosure Document for private placement are not transferrable and are intended to be used by the parties to whom it is distributed. It is not intended for distribution to any other person and should not be copied / reproduced by the recipient for any person whatsoever.

The information contained in this document has certain forward looking statements. Actual result may vary materially from those expressed or implied, depending upon economic conditions, government policies and other factors. Any opinion expressed is given in good faith but is subject to change without notice. No liability is accepted whatsoever for any direct or consequential loss arising from the use of the document.

NHPC does not undertake to update this Disclosure Document for Private Placement to reflect subsequent events and thus it should not be relied upon without first confirming the accuracy of such events with NHPC.



TABLE OF CONTENTS

INDEX	TITLE
I.	Definition / abbreviations
II.	Disclaimer
III.	Name and address of the registered office of the borrower
IV.	Name and address of the Directors of the issuer
V.	Brief summary of business/ activities of its issuer and its line of business
VI.	Brief history of the issuer since incorporation, details of activities include any reorganization, reconstruction or amalgamation, change in capital structure, (authorized, issued and subscribed) and borrowing
VII.	Summary Term Sheet
VIII.	Terms of offer (details of debt securities proposed to be issued, mode of issuance, issue size, utilization of issue proceeds, stock exchanges where securities are proposed to be listed, redemption amount, period of maturity yield on redemption, discount at which offer is made and effective yield fir investor).
IX.	Credit rating & rationale thereof
X.	Name of debentures trustee.
XI	Stock exchange where securities are proposed to be listed.
XII.	Details of other borrowings(details of debt securities issued in the past particulars of debt securities issued for consideration other than cash or at a Premium or discount or in pursuance of an option, highest ten holders of each class or kind of securities, debt equity ratio)
XIII.	Servicing behavior on existing debt securities and other borrowings
XIV.	Undertaking regarding common form of transfer.
XV.	Material event, development or change at the time of issue.
XVI.	Permission/consent from prior creditors.
XVII.	Material contracts & agreements involving financial obligations of the issuer.
XVIII.	Declaration.
XIX	Annexure.
A.	Credit rating letter dated 7 th Jan 2010 from Fitch Ratings India Pvt. Ltd.
B.	Consent letter dated 4 th Jan. 2010 from trustees –IDBI Trusteeship Services Ltd.
C.	Consent Letter dated 5 th Jan. 2010 from Registrar & Transfer Agent-RCMC Share Registry Pvt. Ltd.
D.	Application Forms
E.	Instructions



I .Definition / Abbreviations Issuer Related Terms

<u>Term</u>	<u>Description</u>
Articles of Association or Articles	The articles of association of our Company, as amended from time to time
Auditors	The statutory auditors of our Company, M/s. GSA & Associates, Chartered Accountants
Board or Board of Directors	The board of Directors of our Company
Directors	The Directors of our Company
Memorandum of Association or Memorandum	The memorandum of association of our Company, as amended from time to time
Promoter	The President of India, acting through the Ministry of Power, Government of India
Registered Office	The registered office of our Company, which, as at the date of this Prospectus, is located at NHPC Office Complex, Sector - 33, Faridabad 121 003, Haryana, India

Conventional and General Terms

<u>Term</u>	<u>Description</u>
AAR	Authority for Advance Ruling
Act or Companies Act	The Companies Act, 1956
Alstom India	Alstom Projects India Limited
AS	Accounting Standard
ATE	Appellate Tribunal for Electricity
BSE	The Bombay Stock Exchange Limited
CAD	Canadian Dollar
CDSL	Central Depository Services (India) Limited
CEI	Chief Electrical Inspector
CEP	Construction, Equipment and Planning
CHF	Swiss Franc
CIT (A)	Commissioner of Income Tax (Appeals)
CLRA	The Contract Labour (Regulation and Abolition) Act, 1970
Cr.P.C.	Code of Criminal Procedure, 1973
Crore	10 million
CSR	Corporate Social Responsibility
CPMG	Corporate Project Monitoring Group
D.G.	Diesel generator
Depositories	NSDL and CDSL



Term	Description
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DVC	Damodar Valley Corporation
€	Euro
E&M	Electrical and Mechanical
ECS	Electronic clearing service
EGM	Extraordinary general meeting of the shareholders of our Company
EPS	Earnings per share, i.e., profit after tax for a Fiscal year divided by the weighted average number of equity shares during the Fiscal year
FAA	First Appellate Authority
Factories Act	Factories Act, 1948
FBT	Fringe Benefit Tax
FC	Foreign currency
FCNR Account	Foreign Currency Non-Resident Account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FIIIs	Foreign Institutional Investors (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with the SEBI
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
FVCI	Foreign Venture Capital Investors (as defined under the SEBI (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time) registered with the SEBI
GDP	Gross Domestic Product
GoI	Government of India
GRA	Grievance Redressal Authority
HCC	Hindustan Construction Company Limited
HP	Himachal Pradesh
HUF	Hindu Undivided Family
IAS	Indian Administrative Service
IDC	Interest during construction
IFRS	International Financial Reporting Standards
IGNOU	Indira Gandhi National Open University
IT&C	Information Technology and Communications
I.T. Act	Income Tax Act, 1961
I.T. Department	Income Tax Department
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority



Term	Description
J&K	Jammu & Kashmir
JDA	Jammu Development Authority
JKSPDC	Jammu & Kashmir State Power Development Corporation Limited
JPY	Japanese Yen
L&T	Larsen & Toubro Limited
LIBOR	London Inter Bank Offering Rate
LIC	Life Insurance Corporation of India
MAT	Minimum Alternate Tax
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MPSEB	Madhya Pradesh State Electricity Board
MPTRADECO	MP Power Trading Company Limited
N.A. or N/A	Not Applicable
NBA	Narmada Bachao Andolan
NEAA	National Environment Appellate Authority
NEFT	National Electronic Fund Transfer
NHPTL	National High Power Test Laboratory Private Limited
Non-Resident or NR	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NPEX	National Power Exchange Limited
NRE Account	Non-Resident External Account established in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established in accordance with the FEMA
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
O&M	Operation and Maintenance
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue
p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAPs	Project-affected persons
PAT	Profit after tax
PIO	Public Information Officer
PMG	Project Monitoring Group
PSEB	Punjab State Electricity Board



Term	Description
PTC	PTC India Limited
QA&I	Quality Assurance and Inspection
R&D	Research and Development
R&R Policy	Our Rehabilitation and Resettlement Policy, 2007, which is based on the National Resettlement and Rehabilitation Policy, 2007 of the GoI.
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, NCT of Delhi and Haryana
RoE	Return on equity
RoNW	Return on net worth
RPC	Regional Power Committee
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
RTI Act	Right to Information Act, 2005
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992
SEK	Swedish Kroner
STT	Securities Transaction Tax
Supreme Court	Supreme Court of India
T&HRD	Training and Human Resource Development
T&RE	Transmission and Rural Electrification
TERI	The Energy and Resources Institute
TCS	Tata Consultancy Services Limited
UNDP	United Nations Development Program
USA or U.S.	United States of America
US\$ or USD or US Dollar	U.S Dollar
VAT	Value Added Tax
w.e.f	With effect from

Technical and Industry-Related Terms

Term	Description
AAD	Advance Against Depreciation
ABT	Availability Based Tariff
AFC	Annual Fixed Charges
AGL	Above Ground Level
AMSL	Above Mean Sea Level
APGENCO	Andhra Pradesh Generation Company



Term	Description
Bonds	9% Secured Non-Convertible Non Cumulative Taxable Bonds P Series in the nature of Debentures of Rs 10,00,000/- each offered through private placement route under the terms of Disclosure Document
Bondholder / Debenture holder	The holder of bonds
BRRP/BREW	Bihar Rural Road Projects/Bihar Rural Electrification Works
CCEA	Cabinet Committee on Economic Affairs
CDM	Clean Development Mechanism
CEA	Central Electricity Authority
CER	Certified Emission Reduction
CERC	Central Electricity Regulatory Commission
CPSU	Central Public Sector Undertaking
CWC	Central Water Commission
Design energy	The quantum of energy which could be generated in a 90% dependable year with 95% installed capacity of the generating station
Deemed Date of Allotment	Date as specified in summary Term Sheet
DER	Debt Equity Ratio
Disclosure Document	Disclosure Document dated 2010 for Private Placement of 9% Secured Non-Convertible Non Cumulative Taxable Bonds P Series in the nature of Debentures of Rs 10,00,000/- each for cash at par aggregating to Rs 2000 crores
DPE	Department of Public Enterprises
DPR	Detailed Project Report
DRR	Debenture Redemption Reserve
EIA	Environmental Impact Assessment
Electricity Supply Act	Electricity (Supply) Act, 1948
EMP	Environment Management Plan
EOT	Electric Overhead Travelling
EPA	Environment (Protection) Act, 1986
EPS	Earning per share
ERC	Electricity Regulatory Commission
ERC Act	Electricity Regulatory Commission Act, 1998
ERP	Enterprise Resource Planning
FCA	Forest (Conservation) Act, 1980
GIS	Geographic Information System
HR	Human resources
IPP	Independent Power Producer
ITSL/Trustee	IDBI Trusteeship Services Ltd.
Issuer/NHPC/Corporation /Company	NHPC Ltd.
KW	Kilo Watt



Term	Description
KWh	Kilo Watt Hour
Land Acquisition Act	Land Acquisition Act, 1894
LC	Letter of credit
MAHAGENCO	Maharashtra Generation Company
MoEF	Ministry of Environment and Forest, Government of India
MU	Million Units
MW	Mega Watt
NAPAF	Normative Annual Plant Availability Factor
NBWL	National Board for Wildlife
NPV	Net present value
One Time Settlement	Scheme for One Time Settlement of outstanding dues
PFC	Power Finance Corporation Limited
PGCIL	Power Grid Corporation of India Limited
PIB	Public Investment Board
PPA	Power Purchase Agreement
REC	Rural Electrification Corporation Limited
RES	Renewal Energy Sources, which includes small hydro, wind and biomass
Registrar	Registrar to the issue, in this case
RoR	Run-of-the-river
SCADA	Supervisor Control and Data Acquisition
SEB(s)	State Electricity Board(s) and their successor(s), if any, including those formed pursuant to restructuring/unbundling
Self Adjusting Formula	The capacity charge equal to the AFC minus the primary energy charge, which is equal to the product of saleable primary energy (in MU) multiplied by the prime energy rate
SERC	State Electricity Regulatory Commission
STU	State Transmission Utility
Tailrace discharge	The discharge of water coming out of the machine after generation of electricity
TEC	Techno Economic Clearance
TEA	Techno Economic Appraisal
The issue/The offer/Private Placement	Private Placement of 9% Secured Non-Convertible Non Cumulative Taxable Bonds (P Series) in the nature of Debentures of Rs 10,00,000/- each for cash at par aggregating to Rs 2000 crores
THDC	Tehri Hydro Development Corporation Limited
Tripartite Agreements	Tripartite Agreements executed among the GoI, RBI and the respective State governments
Unit	1 KWh, i.e. the energy contained in a current of one thousand amperes flowing under an electromotive force of one volt during one hour
VSAT	Very Small Aperture Terminal (based satellite)



II DISCLAIMER

GENERAL DISCLAIMER

The Disclosure Document is neither a Prospectus nor a Statement in lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 issued vide Circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008. This document does not constitute an offer to the public generally or subscribe for or otherwise acquire the bonds to be issued by NHPC Ltd. (the “issuer”/the NHPC/ “the company”) The document is for the exclusive use of institutions to whom it is delivered and it should not be circulated or distributed to the third parties. The Company certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.



III. NAME AND ADDRESS OF REGISTERED OFFICE OF THE ISSUER

Name of the issuer	NHPC Limited
Registered office	NHPC Office Complex Sector - 33, Faridabad 121 003 Haryana, India
Telephone Number	+91 129 227 8421
Fax Number	+91 129 227 7941
Website	www.nhpcindia.com
E-mail	companysecretary@nhpc.nic.in

IV. NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER

The composition of Board of directors of the company as on date of this Disclosure Document is as under:

	Name	Designation	Address
1.	Mr. S.K. Garg	Chairman And Managing Director	K-17/4, DLF City Phase II, Gurgaon 122 002, Haryana, India
2.	Mr. A.B.L. Srivastava	Director (Finance)	C - 301, Stellar Park, C - 58/24, Sector -62, Gautam Budha Nagar, Noida 201 306, Uttar Pradesh, India
3.	Mr. D.P. Bhargava	Director (Technical)	House No. 176, Sector 30, Faridabad, Haryana 121 003, India
4.	Mr. J.K. Sharma	Director (Projects)	House No. 915, Sector 28, Faridabad, Haryana 121 008, India
5.	Mr. R.S. Mina	Director (Personnel)	6081/1, Sector D-6, Vasant Kunj, New Delhi 110 070, India
6.	Mr. Rakesh Jain	Government Nominee Director	D-2/62, Kaka Nagar, New Delhi - 11003
7.	Mr. Sudhir Kumar	Government Nominee Director	Type-VI/41, Railway Officers Enclave, San. Martin Marg, Chanakyapuri, New Delhi 110021
8.	Ms. Komal Anand	Independent Director	16, Nizamuddin East, IInd Floor, New Delhi 110 003, India
9.	Mr. Arun Kumar	Independent Director	E - 7, Nizamuddin West,



	Name	Designation	Address
	Mago		New Delhi 110 013, India
10.	Mr. Raman Sidhu	Independent Director	606-B, The Aralias, Golf Club Road, DLF Phase V, Gurgaon, Haryana, India
11.	Mr. R. Jeyaseelan	Independent Director	5, Senior Doctor's Residence, Holy Family Hospital, Okhla Road, New Delhi 110 025, India
12.	Dr. Kuriakose Mamkoottam	Independent Director	101, Sakshara Apartments, A3 Paschim Vihar, New Delhi 110 063, India
13.	Mr. K. Dharmarajan	Independent Director	A-3, Sarvodaya Enclave, Sri Aurobindo Marg, New Delhi 110 017, India
14.	Mr. A. Gopalakrishnan	Independent Director	Anant Nivas, Subramania Nagar, Thekkumgopuram, Kottayam, Kerala, India 686001

V. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

We are a hydroelectric power generating Mini-Ratna company dedicated to the planning, development and implementation of an integrated and efficient network of hydroelectric projects in India. We execute all aspects of the development of hydroelectric projects, from concept to commissioning.

We have developed and constructed 13 hydroelectric power stations and our current total installed capacity is 5,175 MW. Our current total generating capacity is 5,134.2 MW, which takes into account a downgrade of the capacity ratings of the Loktak and Tanakpur power stations by the CEA. This total installed capacity and total generating capacity includes two power stations with a combined capacity of 1,520 MW, constructed and operated through our Subsidiary, NHDC. Our power stations and hydroelectric projects are located predominantly in the North and North East of India, in the states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Arunachal Pradesh, Assam, Manipur, Sikkim and West Bengal. Our Company and our Subsidiary generated 16,689.59 MUs and 2,368.45 MUs of electricity, respectively, in Fiscal 2009. In Fiscal 2009, our Company and our Subsidiary sold 14,587.88 MUs and 2,345.01 MUs of electricity, respectively.

We are presently engaged in the construction of 11 additional hydroelectric projects, which are expected to increase our total installed capacity by 4,622 MW. We are awaiting government sanction for a further seven projects with an anticipated capacity of 6,315 MW. In addition, we



are awaiting government sanction for certain joint venture projects with an anticipated capacity of 3,666 MW. Survey and investigation works are being carried out to prepare project proposal reports for seven additional projects, totaling 5,755 MW of anticipated capacity.

We selectively form alliances with state governments to undertake project development. Pursuant to MoU with the government of Madhya Pradesh, we incorporated our Subsidiary on August 1, 2000 to take advantage of the hydroelectric potential of the Narmada river basin. In addition, in September 2007 we signed an MoU with the government of Manipur to establish a joint venture to develop the Loktak Downstream hydroelectric project, and in June 2007 we entered into an MoA with the government of Arunachal Pradesh to implement the Dibang project on an own-and-operate basis. Further, on October 10, 2008 we signed an MoU with the JKSPDC, the government of Jammu & Kashmir and PTC to implement the Pakal Dul and other hydroelectric projects in the Chenab river basin with an anticipated aggregate installed capacity of approximately 2,100 MW. In addition MOP vide letter dated 06.07.2009 informed that Tapaimukh H.E (1500 MW) in Manipur shall be executed through JVC among NHPC Ltd., SJVNL & Govt. Of Manipur (GoM). Formal consent of GoM in this regard is awaited for formation of JVC.

We have experience in the design, development, construction and operation of hydroelectric projects. We execute and manage all aspects of projects, from front-end engineering design to commissioning and operation and maintenance of the project. We have also been engaged as a project developer for certain projects, where our scope of work is to design, develop and deliver a hydroelectric power station to a client on an agency basis. We also provide contract-based technical, management advisory and consultancy services to domestic and international clients.

Based on our audited financial statements, in Fiscals 2007, 2008 and 2009, we generated total income of Rs. 2,187.50 crore, Rs. 2,687.94 crore and Rs. 3,261.49 crore, respectively, and net profit of Rs.924.80 crore, Rs. 1,004.09 crore and Rs. 1,075.22 crore, respectively. In Fiscal 2009, our average selling price of electricity was Rs. 1.83 per unit. In Fiscal 2009, we derived Rs. 2,671.85 crore or 81.92% of our audited total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements.

Our operational efficiency has been reflected through high average capacity indices for our power stations, which are now currently measured by the Plant Availability Factor (PAF). The average capacity indices for our Company for Fiscals 2007, 2008 and 2009 were 94.13%, 96.12% and 93.61% respectively. These indices are higher than the cumulative capacity index levels, which are required under CERC regulations and our higher efficiency parameters, which pursuant to the tariff policy in place for Fiscal 2005-Fiscal 2009 entitled us to certain incentive payments.

We have obtained BS OHSAS 18001:2007, ISO 9001:2000, ISO 14001:2004 and PAS 99: 2006 certifications from the BSI Management Systems, all of which are valid until July 25, 2011. In recognition of our performance and our consistent achievement of targets as negotiated under the MoUs that we enter into with the GoI on an annual basis, the GoI has rated our performance as “Excellent” from Fiscal 1995 through to Fiscal 2006, “Very Good” in Fiscal 2007 and “Excellent” in Fiscal 2008. Also, in recognition of our performance, we were designated as a



Mini-Ratna Category-I public sector undertaking in April 2008. As a Mini-Ratna Category-I entity, we will have greater autonomy to undertake new projects without GoI approval, subject to an investment ceiling of Rs. 500 crore set by the GoI.

The President of India, and its nominees, before Initial Public Offer holds 100% of the issued and paid-up Equity Share capital of our Company. After the Issue, the President of India still hold 86.36% of the post-Issue paid-up Equity Share capital of our Company. Under our Articles of Association, the GoI has the power to appoint all of our Directors.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Established track record in implementing hydroelectric projects

We have experience in the development and execution of hydroelectric projects. We have managed the development and implementation of 13 hydroelectric projects, including two through our Subsidiary, NHDC. We have completed projects that are located in the geotechnically sensitive Himalayan terrain and in inhospitable areas that are often difficult to access. We completed the Chamera-II and Dhauliganga-I power stations and the Indira Sagar and Omkareshwar projects ahead of schedule. We have worked with the GoI, various state governments, foreign governments and international companies to complete projects. We believe our proven execution capability is a key advantage for securing projects. We also believe that our execution model for projects benefits from our cost control and risk management expertise and that our experience and expertise in project implementation provide us with significant competitive advantages.

Long term power purchase agreements with our customers

As of March 31, 2009, most of the output from our installed capacity was contracted for through long term PPAs. At the time we make investment decisions on new capacity or expansion of existing capacity, we typically have commitments for the purchase of the output.

In Fiscal 2009, we derived Rs. 3,436.22 crore or 84.81% of our restated consolidated total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements. These billings to state entities are currently secured through letters of credit generally entered into pursuant to tripartite agreements among the GoI, the RBI and respective state governments. In addition, we can secure payment by regulating the power supply to the defaulting entity or recovering payments directly from GoI Central Plan assistance funds that are given to the concerned state governments.

Strong operating performance

We measure our efficiency by reference to our average capacity index (till 2008-09)/ Plant Availability Factor (2009 onwards) and generation targets achieved. In Fiscal 2009, our



Company generated a total of 16,689.59 MUs of electricity and our Company's cumulative capacity index was 93.61%, which is higher than the cumulative capacity index levels required under CERC regulations and our higher efficiency parameters, which pursuant to the tariff policy in place for Fiscal 2005-Fiscal 2009, entitled us to certain incentive payments. We monitor, renovate and modernise our power stations, which increases the efficiency of our plants and equipment. We believe that our ongoing monitoring and maintenance techniques offer us a competitive advantage in an industry where reliability and maintenance costs are a significant determinant of profitability.

Competent and committed workforce

We have a competent and committed workforce. Our senior executives have experience in our industry and many of them have been with us for a significant portion of their careers. We believe that the skill, industry knowledge and operating experience of our senior executives provide us with a competitive advantage as we seek to expand in our existing markets and successfully enter new geographic areas. We invest significant resources in employee training and development and our uniform operational systems, processes and staff training procedures enable us to replicate our operating standards across all our projects and stations.

Strong in-house design and engineering team

We have an in-house team for project design and our engineering capabilities range from the concept stage to the commissioning of our projects. This team is supported by international and domestic project consultants. As of August 17, 2009, our Company had approximately 1,203 in-house engineers with expertise in a range of engineering disciplines, particularly hydrology, electrical, civil and structural design, hydro-mechanical and geotechnical design. Our engineers have specialised tunnel design experience and are able to design for variable and unpredictable geological conditions. Our engineers also have experience with a variety of specialised analysis, design and computer aided design software applications.

Our Strategy

Our corporate vision is to become a world class, diversified and transnational organisation dedicated to sustainable development of hydropower and water resources with an environmental conscience. The following are our strategies to achieve this vision:

Expand our installed capacity through Joint Ventures and MoUs

We seek to expand our installed capacity by tapping into new geographic markets where there is significant demand for capacity expansion through hydroelectric generation. Presently we are engaged in the construction of 11 hydroelectric projects in the states of Jammu & Kashmir, Himachal Pradesh, Arunachal Pradesh, Assam and West Bengal, which is expected to increase our total installed capacity by 4,622 MW. We are awaiting government sanction for a further seven projects with an anticipated capacity of 6,315 MW. In addition, we are awaiting



government sanction for certain joint venture projects with an anticipated capacity of 3,666 MW. Survey and investigation works are being carried out to prepare project proposal reports for seven additional projects, totaling 5,755 MW of anticipated capacity.

Promote and develop our consulting and advisory services

We aim to continue to deliver advisory services to clients and government entities in India and abroad. Our consultancy services are registered with the World Bank, the Asian Development Bank, the African Development Bank, the Kuwait Fund for Arab Economic Development and the Central Water Commission.

Continue to expand our international activities

We intend to continue to expand our international operations and further exploit the potential hydropower opportunities available internationally by leveraging our existing relationships developed through our past international consultancy assignments.

Maintain our focus in environmental and corporate social responsibility

We have undertaken a number of environmental and corporate social responsibility initiatives and intend to expand our involvement in these areas. We aim to conduct our business operations in a manner that promotes social responsibility, sustainable development and respect towards the environment.

Invest in technology to modernise our operations and improve our project operating performance

We intend to reduce our operating costs and improve our project-operating performance by investing in technologically advanced equipment and methods and by devoting resources to modernize our power stations.

Our Operations by Segment

Our core business is the generation and sale of hydroelectricity. We also provide contract-based services including technical, management advisory and consultancy services as well as project execution on contract basis. The table below shows our total restated consolidated income by business segment:

Total income by business segment (Standalone)

(Rs. in crore)

Power Station	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Sales (Net)	2671.85	2243.73	1754.12	1614.11
Revenue from Contracts, Project Management and	48.97	39.19	128.81	48.81



Power Station	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Consultancy Works				
Interest on Power Bonds and Long Term Advances	206.90	224.53	234.09	249.47
Other Income	333.77	180.49	70.48	61.27
Total	3261.49	2687.94	2187.50	1973.66

Our Hydropower Generation Business

Our core business operations involve the generation and sale of hydroelectricity. Our projects are spread across different stages of development from the early stages of survey and investigation to operation and maintenance.

Our Project Development Process

The GoI and the state government identify the geographic areas where additional electricity is needed by determining existing and projected installed capacity and projected demand for electricity. Factors such as economic growth, population growth and industrial expansion are used to determine projected demand. To gauge the expected supply of electricity, the capacities of the existing power stations and the projects under construction or development are studied. If the GoI and the respective state government agree that a hydroelectric project is necessary and that we are the most appropriate organization to develop the hydroelectric project, we then enter into an MoU or agreement with the concerned state government where the hydroelectric project is proposed to be located. We then begin the process of obtaining the necessary authorisations for the hydroelectric project from the concerned authorities. We are required to fulfill a three-stage clearance process for hydroelectric projects as introduced by the GoI in June 2001. This process consists of:

Stage-I: Preparation of Pre-Feasibility Report/Feasibility Report

The Stage-I estimate is initially reviewed by the CEA and approved by the MoP. Environmental clearance for the pre-construction activities and approval of the terms of reference for undertaking the EIA studies is then obtained from the MoEF. Survey and investigation activities are subsequently carried out in order to prepare a pre-feasibility report, which sets out essential geological, hydrological, meteorological and topographical observations. The report contains technical details, justification of the scheme and preliminary financial details of the project. The CEA then reviews the report and makes a determination about the commercial viability of the project.

Stage-II: Preparation of Detailed Project Report and Infrastructure Development Works

Following the approval of the Stage-I estimate by the MoP and the commercial viability clearance from the CEA we carry out extensive survey and investigation works in order to prepare a DPR. The DPR is examined in detail by various agencies, including the Geological Survey of India, the Central Water Commission, the Ministry of Water Resources and the



Ministry of Defense. During this stage EIA reports are also prepared and submitted to the requisite state government to enable them to conduct a public hearing and consult with local communities to negotiate a suitable rehabilitation and resettlement package, if required. At this stage the environmental impact report and forest land requirement report are also submitted to the MoEF for clearance. The CEA reviews the DPR and the various clearances obtained from the abovementioned agencies and, if satisfied, the CEA concurrence is granted to the hydroelectric project.

Stage-III: Final sanction and project construction

Post the CEA approval, and after obtaining a recommendation from the PIB, GoI, the hydroelectric project proposal is presented to the CCEA for its final sanction. It is only after receiving the sanction of the CCEA that major works related to construction of the project are awarded and construction can begin at the project site.

Completed Projects

We have set forth below the details of all our completed projects, including joint venture project:
(Rs. in crore)

Power Station	State	Installed Capacity (MW)	Year of Commissioning	Revenue Generated in Fiscal 2009 (Rs. In crore)
Baira Siul	Himachal Pradesh	180	1981	62.26
Loktak	Manipur	105(1)	1983	52.48
Salal	Jammu & Kashmir	690	1987/1996	221.41
Tanakpur	Uttarakhand	120(2)	1992	51.98
Chamera I	Himachal Pradesh	540	1994	318.43
Uri I	Jammu & Kashmir	480	1997	399.18
Rangit	Sikkim	60	1999	53.82
Chamera II	Himachal Pradesh	300	2004	319.62
Dhauliganga I	Uttarakhand	280	2005	225.31
Dulhasti	Jammu & Kashmir	390	2007	700.59
Teesta V	Sikkim	510	2008	283.78
Total		3,655		2,688.86
Completed Projects with NHDC				
Indira Sagar	Madhya Pradesh	1,000	2005	486.92
Omkareshwar	Madhya Pradesh	520	2007	269.00
Total		1,520		755.92

Note: (1) Derating of the Loktak Power Station from 105 MW to 90 MW vide CEA letter no. CEA/PLG/DM/545(derating)/Loktak/2008/102-144 dated 03/07/2008 (temporary derating of unit #1 upto 31/12/2008, unit #2 upto 31/03/2009 and Unit#3 upto 30/11/2009) . NHPC has requested for further extension of derating period (Unit #1 upto 15.09.2009, Unit # 2 upto 15.04.2010 and Unit#3 upto 15.09.2010.)



(2) Derating of 94.2 MW from September 1996 vide CEA letter no. DMLF/PS/9/7/96-Vol IV/3530-85

Projects under construction

We have set forth below the details of all our hydroelectric projects, which are currently under construction:

Hydroelectric Projects	State	Proposed Installed Capacity (MW)	Project Cost-CCEA approved (Rs. in crore)
Sewa II	Jammu & Kashmir	120	665.46
Teesta Low Dam III	West Bengal	132	768.92
Uri II	Jammu & Kashmir	240	1,724.79
Chamera III	Himachal Pradesh	231	1,405.63
Teesta Low Dam IV	West Bengal	160	1,061.38
Nimoo Bazgo	Jammu & Kashmir	45	611.01
Parbati III	Himachal Pradesh	520	2,304.56
Parbati II	Himachal Pradesh	800	3,919.59
Chutak	Jammu & Kashmir	44	621.26
Subansiri Lower	Assam/Arunachal Pradesh	2,000	6,285.33
Kishanganga	Jammu & Kashmir	330	3,642.04
Total		4,622	23,009.97

Projects Awaiting Clearances

The hydroelectric projects including our joint venture projects detailed below are awaiting final sanction from the CCEA:

Projects	State	Proposed Installed Capacity (MW)
Kotli Bhel Stage IA(1)	Uttarakhand	195
Kotli Bhel Stage IB(1)	Uttarakhand	320
Kotli Bhel Stage II(1)	Uttarakhand	530
Dibang(2)	Arunachal Pradesh	3,000
Teesta IV	Sikkim	520
Tawang I	Arunachal Pradesh	750
Tawang II	Arunachal Pradesh	1,000
Total		6,315
Joint Venture Projects		
Loktak Downstream	Manipur	66
Pakal Dul and other	Jammu & Kashmir	2,100



hydroelectric projects in the Chenab River Basin(3)		
Tapaimukh	Manipur	1,500
Total		3,666
Grand Total		9,981

- (1) Our Company is required to obtain forest clearance from MoEF.
- (2) Our Company is required to obtain forest clearance from MoEF and the State Pollution Control Board after proper public hearing.
- (3) These projects require approval from the Supreme Court as they are located in the Kishtwar High Altitude National Park.

Projects under Survey and Investigation

The following hydroelectric projects are under survey and investigation for preparation of a DPR:

Project	State	Proposed Capacity (MW)	Installed Capacity (MW)
Karmoli Lumti Tulli	Uttarakhand	55	
Garba Tawaghat	Uttarakhand	630	
Chungar Chal	Uttarakhand	240	
Lachen	Sikkim	210	
Subansiri (Middle)	Arunachal Pradesh	1,600	
Subansiri (Upper)	Arunachal Pradesh	2,000	
Bursar	Jammu & Kashmir	1,020	
Total		5,755	

The following are the details of the various projects undertaken by way of joint ventures:

Projects	State	Capacity (MW)	Our stake in Joint Venture	Status
Indira Sagar	Madhya Pradesh	1,000	51%	Commissioned in 2005
Omkareshwar	Madhya Pradesh	520	51%	Commissioned in 2007
Loktak Downstream	Manipur	66	74%	JVC registered on 23.10.2009. Awaiting environmental clearances.
Pakal Dul and other Hydroelectric projects in the Chenab River Basin	Jammu & Kashmir	2,100	49%	Awaiting clearances
Tapaimukh	Manipur	1,500	69%	Awaiting clearances



Contracts, Project Management and Consultancy Works Business

We believe that our industry leadership as well as quality credentials puts us in a strong position to offer a wide range of consultancy services in the field of hydropower. Our consultancy services division was set up in 1993 to offer consulting and contractual services to meet requirements for different project types.

Our consultancy are services registered with the World Bank, the Asian Development Bank, the African Development Bank, the Kuwait Fund for Arab Economic Development and the Central Water Commission and Consultancy Development Centre.

Our clients include central and state government agencies in India including SEBs and PSUs, as well as a number of foreign governments and private sector entities. From a marketing perspective, consultancy contracts also allow us to establish a relationship with potential future clients and, in the case of project feasibility studies, to become involved at an early stage in turnkey projects for which we may later submit bids.

Consulting/Advisory Services for Hydropower Projects

The scope of our consulting and advisory services is to provide assistance in planning, design and engineering, survey and analysis, report writing and other affiliated services corresponding to our client's specific needs.

We also provide specialist consultancy services in relation to tidal, wind and geothermal power projects, training and human resource operations, and IT and communications.

We have completed 77 consulting assignments and as at November 30, 2009 we have 17 ongoing consulting assignments.

Turnkey Agency Contracts

We have undertaken certain international agency contracts under the direction of GoI. These projects are undertaken in the spirit of cooperation with foreign governments and also to broaden our international experience. The status of various turnkey agency projects undertaken by our consultancy services division is set out below:

Project	Country/State/Union Territory	Installed/Proposed Total Capacity (MW)	Status
Devighat	Nepal	14.10	Commissioned
Kurichhu	Bhutan	60.00	Commissioned
Kalpong	India (Andaman & Nicobar Islands)	5.25	Commissioned
Sippi	India (Arunachal Pradesh)	4.00	Commissioned
Kambang	India (Arunachal Pradesh)	6.00	Commissioned
Total		89.35	



Further, we commissioned and handed over the Sippi Small Hydroelectric turnkey agency project to the Department of Hydropower Development of the government of Arunachal Pradesh on August 23, 2008.

Specialized Government Agency Works

We act as an agency for the implementation of rural road development and rural electrification programs in India. These projects are usually undertaken on the request of the GoI for social welfare and development purposes. We earn fixed agency fees from these projects, as determined mutually by GoI and our Company.

Specialized government agency works we undertake include:

Client	Services Rendered
REC Limited	We implement rural electrification works under the Rajiv Gandhi Grameen Vidutikaran Yojna in various states in India for fixed agency fees of 9-12% on the cost of the project. We have been allocated 27 districts in five states. As of November 30, 2009. 33 projects, costing Rs. 2,407 crore have been sanctioned; We have electrified approximately 3,851 unelectrified and de-electrified villages and approximately 4,444 partially electrified villages. Further, we provided approximately 6,21,268 connections to families below the poverty line.
Ministry of Rural Development, GoI	We undertake the construction of rural roads in six districts of Bihar under the Pradhan Mantri Gram Sadak Yojna, for fixed agency fees of 10% on the cost of the project. As of November 30, 2009: 832 roads of 3,517 km with a cost of Rs. 1,921 crore have been cleared by Ministry of Rural Development, GoI; and 164 roads of 929.34 km (full length) with a cost of Rs. 402.78 crore have been completed

Construction of Hydropower Projects

Design and engineering

The engineering and design of a hydroelectric project requires input from a number of specialist engineering disciplines, particularly, civil and hydro-mechanical design, geological and geotechnical and electrical and mechanical design.

Civil and hydromechanical design

This aspect of the project includes:

Developing detailed site plans, including the civil works layouts.



Reviewing hydrological data available and supervising field investigations and hydrological studies.

Assessing the impact of soil erosion and sediment on the proposed hydroelectric projects.

Geological and geotechnical engineering

The geotechnical engineering process involves the collection of sufficient qualitative and quantitative geological, geotechnical and construction material information to determine basic design parameters for the major civil structures of the project.

Electrical and mechanical design

This involves assessing the electrical and mechanical needs of the project and includes:

Evolving optimised designs for electromechanical works of projects under planning and execution.

Providing technical data and cost estimates on electrical and mechanical equipment.

Preparing operation and maintenance manuals for electromechanical works.

Contract and construction management

Our role as contract and construction manager is to organise and supervise the construction of the project. We determine the number of contracts that are awarded per project after reviewing the size and capacity of the project. In general, one or two contracts for civil works, one contract for the hydromechanical components and one contract for the electromechanical components of each project are awarded.

Operation and maintenance

Once the power station is commissioned and becomes fully operational the operation and maintenance division is responsible for the orderly running of the project. This division maintains a database of generation parameters for statistical review and analysis that can be used to optimise generation along with reducing downtime of equipment. This division also analyses data to forecast problems and advises on remedial measures.

Automation of stations

Presently, the operations of all the power stations are either semi or fully automated. Our Uri, Chamera II, Dhauliganga and Dulhasti power stations are equipped with advanced distributed control systems along with SCADA systems. We are presently implementing SCADA in the Baira Siul, Loktak, Tanakpur, Rangit and Chamera I power stations. SCADA allows for better monitoring and control of the power station.

Sale of Energy

Tariffs



Tariffs for each of our hydropower stations are determined by the CERC. A new tariff policy was issued by CERC pursuant to notification no. L-7/145(160)/2008-CERC dated January 19, 2009, and relates to the period from April 1, 2009 to March 31, 2014.

Tariffs are determined by reference to AFC, which comprise primary energy charges and capacity charges and is determined by return on equity, depreciation, interest on loan, interest on working capital and operation and maintenance expenses. Recovery of capacity charges is dependent on the actual utilisation of our machines for generating power. Capacity is determined by reference to the NAPAF, which has been prescribed for each project based on the nature of the project.

We are entitled to receive incentives for achieving a plant availability factor greater than NAPAF as well as for generating energy in excess of the design energy level of the plant. This contrasts with the tariff system in place for Fiscal 2005 to Fiscal 2009 in which additional energy charges were recovered when prescribed capacity levels were exceeded.

Power Purchase Agreements

The GoI allocates the output of each of our stations among the station's customers. Each of our power stations has PPAs with its customers. In Fiscal 2009, we derived Rs. 3,436.22 crore or 84.81% of our restated consolidated total income from the sale of energy to SEBs and their successor entities, pursuant to long-term power purchase agreements. Under the terms of the PPAs, we are obliged to supply electricity to SEBs or their successor entities, private distribution companies and other GoI entities in accordance with the terms of the allocation letters issued by the GoI from time to time as required by the tariff policy issued from MoP. The PPA is valid until it is extended, renewed or replaced by another agreement on such terms and for such further period of time as the parties agree.

The MoUs signed with respective state governments pursuant to the PPAs require us to provide 12.0% of the energy that we generate to the respective state or its utilities or electricity boards, termed as 'bulk power customers', free of cost. We are not permitted to offer this contracted capacity to any third person for the duration of such MoUs.

The term of the PPA is generally for five years from the date of the commercial operation of the last unit of the project, provided that such PPAs may be renewed or replaced on such terms and for such further time as the parties may agree. However, the provisions of a PPA continue to operate until such PPA is formally renewed or replaced.

The tariffs we charge and the conditions for the supply of energy, as well as the surcharge levy and rebates are determined according to the tariff notifications issued by the CERC or policies of GoI from time to time. Further, settlement of any disputed current dues is determined according to the directives of the CERC or the GoI as issued from time to time.

The parties to a PPA are not liable for any claim for loss or damage arising out of failure to carry out the terms of such PPA to the extent that such failure is due to events such as riot, strike, lock out, fire, explosion, flood, drought, earthquake, war or other forces, accidents or force majeure



events. Any party claiming the benefits of this provision holds the burden of proving that the event occurred and damage was suffered.

All questions or disputes between parties in connection with a PPA, except the extent of power vested with the respective RPC, are settled through arbitration in accordance with the provisions contained in the Electricity Act, 2003 and the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto, in the event such differences cannot be settled through conciliation prior to arbitration.

Recoveries through the One-Time Settlement Scheme (“One Time Settlement”)

NHPC has previously had problems recovering payments from SEBs and other state government entities; however, in 2001, the MoP, and the state entities established a scheme of One Time Settlement. Pursuant to the One Time Settlement, the GoI, on behalf of the central sector power utilities, executed Tripartite Agreements with the RBI and the state governments to effectuate a settlement of overdue payments, by way of tax-free power bonds, owed to NHPC by the SEBs or their successor entities or other state government entities with provisions for incentives for future timely payment.

Under these agreements, the overdue amounts outstanding as of September 30, 2001 were securitised by the issue of tax-free power bonds and long term advances amounting to Rs. 2,818.04 crore against outstanding principal dues, late payment surcharge, and conversion of bonds issued by the SEBs after March 1, 1998. Tax free interest on the power bonds and long-term advances are payable to NHPC at a rate of 8.5% p.a. These bonds mature and the long-term advances are payable in various stages, starting from October 1, 2006 until April 1, 2016.

Research and Development

Research and development is key to our continued success in engineering and construction. Our research and development activities are focused on anticipating our future needs and those of our agency clients and making us more competitive. We also seek to implement the latest technological advances and developments at our project sites. Our research and development activities are concentrated primarily on studies for elongation of operating life of underwater components, such as turbines, by mitigating silt erosion.

Clean Development Mechanism

We are in the process of securing benefits from our hydropower projects under the clean development mechanism (“CDM”) scheme pursuant to the United Nations Framework Convention on Climate Change of 1994. Under this scheme, an industrialised country that wishes to get credits from a CDM project must obtain the consent of the developing country hosting the project to claim such credit and confirm that the project will contribute to sustainable development. Then, using methodologies approved by the CDM Executive Board, the applicant must make the case that the carbon project would not have happened absent such benefits, and must establish a baseline estimating the future emissions in the absence of the registered project.



The case is then validated by a third party agency, called a Designated Operational Entity, to ensure the project results in real, measurable, and long-term emission reductions.

Hydropower projects registered by the CDM Executive Board are eligible to earn certified emission reduction (“CER”) credits. CER credits can be sold to industrialised countries that are required to meet their green house gas emission reduction targets under the terms of the Kyoto Protocol Treaty of 2005.

The Nimoo Bazgo (45 MW) and Chutak (44 MW) hydroelectric projects located in Jammu & Kashmir state were registered by the CDM Executive Board of the United Nations Framework Convention on Climate Change at its 46th meeting in March, 2009. The Nimoo Bazgo and Chutak projects shall annually reduce emissions of approximately 187,893 metric tonne CO2 equivalent and 166,831 metric tonne CO2 equivalent after their commissioning in August 2010 and February 2011, respectively.

We are pursuing CDM registration for additional projects and are investigating other carbon trading initiatives for our projects, such as voluntary emission reduction.

IT and Communications

We make use of information and communication technologies for the execution and management of our projects and power stations. We consider information technology to be a strategic tool for us to improve our overall productivity and efficiency.

Software

Our electromechanical design division has developed a suite of software, Jal Vidyut, for in-house use in connection with power potential assessment, preliminary power house sizing and speed and pressure rise computations. DPRs for several projects have been successfully submitted to the CEA for TEC using data computed by the software. This suite of software was developed in an effort to standardise engineering practice in our organisation. We intend to continue to refine this software to increase its utility to our engineering team.

Insurance

We rely upon insurance coverage obtained by our contractors to insure damage and loss to our hydroelectric projects during the construction phase. Our contractors take third-party insurance in respect of risks associated with our assets and infrastructure that are ancillary to our stations during the construction phase.

We insure the risks associated with damage due to fire, storm, cyclone, flood, earthquake, landslide and terrorist activities to our power stations once they have been commissioned and are operating. We have obtained “Industrial All Risk(IAR) Policy ” in respect of all O&M units w.e.f. 31.07.09.

Human Resources



Our Company had 11,835 employees as of December 31, 2009. Our Company had 12,028 employees on its payroll as of March 31, 2009. Of this, 5,232 employees were engaged in operation and maintenance areas of our business. Our Subsidiary had 541 employees as of March 31, 2009. Of this, 236 employees were engaged in operation and maintenance areas of our business. We believe that a well-trained and experienced team of employees is crucial to our continued growth and success. In this regard, we are committed to recruiting and retaining the best talent in the industry, providing them the best training and development facilities and remunerating our employees at levels that will encourage them to perform to their best capability.

Employee Training and Development

We encourage our employees to develop management and technology skills through internal programs, industry affiliations and external certifications. The training and development needs of our staff are assessed on a regular basis. We have a comprehensive training policy for the development of our employees.

Unions

The majority of our workers are affiliated with worker unions. We believe that we have harmonious relationships with our worker unions. Most of our generating stations have unions that are registered under the Trade Union Act, 1926. Most of these unions are affiliated with one of the following - All India NHPC Employees' & Workers' Council, All India Workers' & Employees' Federation, NHPC Karamchari Mahasangh and NHPC Employees' Front. We have previously had instances of sporadic and localised protests. These have not led to any substantial generation loss. Wage negotiations with our unions is ongoing process and a new wage agreement is anticipated to be entered into with respect to unionised employees.

Environmental Compliance

We are committed to developing hydropower in a technologically efficient, environmentally benign and socially responsible manner. We seek, wherever possible, to minimise the impact of hydropower projects on the local population, forestry, flora, fauna, and places of national historical, religious, spiritual and archaeological interest.

We undertake the following activities in order to realise our environmental and social objectives:

- environmental impact assessment studies;
- catchment area treatment to arrest soil erosion;
- compensatory afforestation to replace forest areas lost to project construction;
- green belt development and reservoir rim treatment;
- landscaping and restoration of dumping, quarrying and construction areas;
- solid waste management;
- wildlife conservation;
- fishery management and conservation;



land acquisition, resettlement and rehabilitation for the project-affected people in accordance with the Land Acquisition Act, 1894, the National Resettlement and Rehabilitation Policy, 2007 and our Resettlement and Rehabilitation Policy, 2007;
post-construction environmental and social impact evaluation; and
disaster management.

The ISO 14001 certification of our environmental management systems issued by the Bureau Veritas Certification (India) Private Limited demonstrates the international recognition of our commitment to sustainable development.

Corporate Social Responsibility and Rehabilitation and Resettlement

We are committed to our Corporate Social Responsibility (“CSR”) efforts and strive to demonstrate environmentally as well as ethically conscious behaviour. We seek to incorporate best practices in corporate governance, employee welfare, and environmental commitment, and have taken various initiatives towards community development. In our endeavour to align our business operations with social values, we have sanctioned a budget for various large-scale community empowerment and capacity building initiatives to be undertaken in and around our power stations and construction sites pursuant to provisions made in the DPRs.

Our resettlement and rehabilitation program aims to improve the economic status of people displaced or otherwise affected adversely by our projects. We are committed to safeguarding the interests of PAPs through implementation of our Rehabilitation and Resettlement Policy, 2007, (“R&R Policy”) which is based on the National Resettlement and Rehabilitation Policy, 2007 (“NRRP”) of the GoI.

Our R&R Policy aims to provide PAPs with an adequate rehabilitation package beyond monetary compensation. This includes active and transparent participation of PAPs in deciding their compensation packages, compensation for those who do not have a legal or recognised right over the land on which they depend for subsistence, continuity in livelihood options after resettlement, quantification of costs and benefits that will accrue to society (as to the desirability and justifiability of each project), expeditious implementation of the rehabilitation process and special care for vulnerable sections of society.

Recent initiatives towards socio-economic development in connection with our power stations and projects, including initiatives under our R&R Policy for the benefit of PAPs, include the following:

- construction, widening and maintenance of roads and bridges;
- afforestation, catchment area treatment, and fisheries management;
- development of irrigational facilities, water supply, and drainage facilities;
- creation of botanic parks and biodiversity conservatories;
- rural electrification works;
- organisation of educational, career guidance and vocational training programs, awareness programmes on horticultural and agricultural practices, healthcare programs and promotion of sports and culture;
- organisation of health checkup camps, vaccination and immunisation works, free distribution of medicines; and
- on occasion, our Company has assisted in reconstruction of flood-affected villages



Competition

According to the CEA Monthly Review of the Power Sector, as of November 30, 2009, total installed capacity of hydroelectric projects in India was approximately 36,885 MW. Our Company, with an installed capacity of 3,655 MW, represents approximately 9.90% of the capacity share. Combined with NHDC's installed capacity of 1,520 MW, we represent a capacity share of approximately 14.03%. In Fiscal 2009, our Company and our Subsidiary generated 16,689.59 MUs and 2,368.45 MUs of electricity, respectively. Some of the other players in this industry are Bhakra Beas Management Board ("BBMB"), generation companies of the various states of India, such as, MAHAGENCO, Andhra Pradesh Generation Company ("APGENCO"), Satluj Jal Vidyut Nigam Limited, which is a joint venture between the GoI, the government of Himachal Pradesh and Tehri Hydro Development Corporation Limited ("THDC"), which is a joint venture between the GoI and the government of Uttar Pradesh, along with other private players. Due to the historical imbalance between demand and supply in the Indian power sector, there has generally been a stable market for power generation companies in India. However, the Electricity Act, 2003, removes licensing requirements for thermal generators, provides for open access to transmission and distribution networks and removes restrictions on the right to build captive generation stations. These reforms provide opportunities for increased private sector involvement in power generation. Specifically, the open access reforms, by which generators will be able to sell their output directly to distribution companies and, ultimately, directly to consumers, may increase the financial viability of private investment in power generation.

While under the Electricity Act, 2003, CEA approval and consent of relevant state government is required to set up a hydropower project, the increased opportunities for private investment in the market described above, when combined with available hydro potential in India and the resulting low costs of production, may lead to increased investment in and competition in the hydroelectric sector in the future.

BRIEF HISTORY OF THE ISSUER SINCE INCORPORATION, DETAILS OF ACTIVITIES INCLUDE ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGE IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWING

HISTORY AND BACKGROUND

Our Company was incorporated on November 7, 1975 under the Companies Act as a private limited company under the name 'National Hydro Electric Power Corporation Private Limited'. The word 'private' was subsequently deleted on September 18, 1976. Our Company was converted to a public limited company w.e.f. April 2, 1986. Pursuant to a shareholders resolution dated March 13, 2008, the name of our Company was changed to its present name 'NHPC Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the RoC, National Capital Territory of Delhi and Haryana, on March 28, 2008.

Changes in our Registered Office



The table below encapsulates changes in registered office of our Company.

Date of resolution	Change in the address of our Registered Office
August 13, 1976	CSMR Building, Near IIT Hostel, Hauz Khas, New Delhi, India
December 29, 1976	'Manjusha', 57, Nehru Place, New Delhi, India
November 9, 1982	'Hemkunt Tower', 98, Nehru Place, New Delhi, India
June 17, 1994*	'NHPC Office Complex', Sector - 33, Faridabad, Haryana, India

**Pursuant to a special resolution passed at an extraordinary general meeting of shareholders on June 17, 1994 and the order of the Company Law Board, Northern Region, dated January 25, 1995 (Company petition number 322/17/94-CLB) and the certificate issued by the RoC, the registered office of our Company was shifted from New Delhi to the state of Haryana.*

Major events

Financial Year	Event
1975 – 76	Incorporation of our Company
1976 – 77	Transfer of the Loktak hydroelectric project (105 MW) from GoI to our Company
1977 – 78	Transfer of the Baira Siul hydroelectric project (180 MW) from GoI to our Company
1982 - 83	Baira Siul power station (180 MW) in Himachal Pradesh commissioned
1983 – 84	All units of Devighat power station in Nepal commissioned ahead of schedule Loktak power station (105 MW) in Manipur commissioned
1985 – 86	Hydro Power Training Institute set up at the Baira Siul hydroelectric project to train operators and supervisory staff
1986 – 87	First issue of 14% 7 years, redeemable secured non convertible bonds amounting to Rs. 143.64 crore Nuwakot Rural Electrification project in Nepal completed ahead of schedule
1987 – 88	Establishment of a satellite telecommunication network taken up to link various projects of our Company
1989 – 90	GoI upgraded our Company from a Schedule 'B' to a Schedule 'A' corporation
1992 – 93	A consultancy wing set up to provide a range of specialised services in the investigation, design, construction and operation of hydel projects Tanakpur power station (120 MW) in Uttarakhand commissioned
1994 – 95	Awarded the lining work of Jawahar Tunnel in Jammu & Kashmir Our Company declared its maiden dividend of Rs. 5 crore for the year ending March 31, 1994 Our Company's registered office started operating from its present building in Faridabad Chamera I power station (540 MW) in Himachal Pradesh commissioned
1995 – 96	Agreement signed for execution of Kurichhu hydroelectric project (45 MW) in Bhutan
1997 – 98	Uri power station (480 MW) in Jammu & Kashmir commissioned
1999 – 2000	Rangit power station (60 MW) in Sikkim commissioned
2000 – 01	Three units of 45 MW Kurichhu power station in Bhutan commissioned by our Company ahead of schedule Our Company and the government of Madhya Pradesh entered into an MoU to exploit the hydro electric potential of the Narmada basin by completing the Indira Sagar and Omkareshwar projects Our Company and the government of Jammu & Kashmir entered into an MoU to exploit the power potential of the state
2002 – 03	A line of credit for a tenor of 19 years taken from LIC for an amount of Rs. 2,500 crore



Financial Year	Event
	Our Company was accorded 'AAA' credit rating for domestic borrowing and 'BB' credit rating at par with sovereign rating of international borrowings by Fitch Ratings
2003 – 04	Chamera- II power station (300 MW) in Himachal Pradesh commissioned
2004 – 05	Indira Sagar hydroelectric project (1,000 MW) of NHDC, a joint venture of our Company and the government of Madhya Pradesh in Madhya Pradesh commissioned
2005-06	ERP initiated under the name Project Kiran
2006 – 07	Our Company entered into an agreement with Government of Bhutan for preparation of DPR of Mangdechhu project (672 MW) in Bhutan
2007 – 08	The name of our Company changed to its present name NHPC Limited
	Dulhasti power station (390 MW) commissioned
	Teesta-V power station (510 MW) commissioned
	Omkareshwar hydroelectric project (520 MW) of NHDC, a joint venture of our Company and the government of Madhya Pradesh, commissioned
	Our Company entered into an MoA with the government of Arunachal Pradesh to execute the Dibang multipurpose hydroelectric project
	Our Company entered into an MoU with the government of Manipur to exploit the hydro electric potential of the tailrace discharge of Loktak Downstream Hydroelectric Project
2008 – 09	Our Company conferred Mini Ratna Category I status by the GoI
	Our Company entered into an MoU with the government of Jammu & Kashmir, JKSPDC and PTC to incorporate a joint venture develop the Pakal Dul and other hydro projects in the Chenab River Basin
	Incorporation of joint venture company, National Power Exchange Limited, along with NTPC, PFC and Tata Consultancy Services Limited
2009-10	Incorporation of a joint venture company, National High Power Test Laboratory Private Limited, along with NTPC, Powergrid Corporation of India Limited and Damodar Valley Corporation.
	Joint Venture between Govt. of Manipur & NHPC registered for execution of Loktak Downstream Project (66 MW), Manipur

Awards and recognitions

We have received the following awards and recognitions for achieving and maintaining high standards in various aspects of our business.

Year	Award/Recognition
2005	Solar Energy Society of India Business Leadership Award for Hydropower for the year 2004
2006	Enterprise Excellence Award (Certificate of Merit) by the Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2004-05
	Golden Peacock Award to Chamera Power Station I for Environment Management for the year 2006 by the World Environment Foundation
2007	Annual Greentech Environment Excellence Silver Award in Hydropower Sector by Greentech Foundation, New Delhi for Environment Management in Hydropower stations/projects for the Dhauliganga Power Station for the year 2006
	Golden Peacock Award to Region II, Banikhet by World Environment Foundation, New Delhi for Excellence in Environment Management for the year 2007
	Water Digest Award for Best Water Management – PSU by Water Digest Private Limited for 2006-07
	Srishti G- Cube Awards for Good Green Governance for the year 2005-06
	Annual Greentech Environment Excellence Silver Award in Hydropower Sector by Greentech Foundation, New Delhi for Environment Management in Hydropower



Year	Award/Recognition
	stations/projects for Region II, Banikhet for the year 2006
	Meritorious Award by SCOPE for Corporate Social Responsibility and Responsiveness for the year 2005-06
	Power HR Forum Award for Best Practices as a Corporate Citizen for the year 2005-06
	Amity Award for Best Corporate Social Responsibility Practices for the year 2007
	Performance Excellence Award (Certificate of Excellence) by Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2005-06
2008	B.M.L. Munjal Award for Excellence in Learning and Development for the year 2007
	Golden Peacock Award to Chamera Power Station I for Occupational Health and Safety for the year 2008 by the World Environment Foundation
	Performance Excellence Award (Certificate of Merit) by the Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2006-07
	Special Jury Award at Asia Pacific Human Resource Management Congress for Innovative Human Resources Practices for 2007-08
	Greentech Environment Excellence Award (Silver Award) 2008 awarded to Tanakpur Power Station by the Greentech Foundation, New Delhi
	Water Digest award for Best Water Management-PSU for 2007-08
	SCOPE Meritorious Award for Best Practices in Human Resource Management for 2006-07
2009	TERI Corporate Environmental Award 2009
	Performance Excellence Award by the Indian Institution of Industrial Engineering
	Gold Medal for Outstanding Contribution in Enhancing the Image of India by the Institute of Economic Development
	Amity Award for Best Corporate Social Responsibility for 2008
	2 nd Prize in the 'Office Buildings Sector' under the National Energy Conservation Awards for 2009 at New Delhi.
	'Jury Award' from Council of Power Utilities in association with KW Conferences during India Power Awards 2009 for 'Large Scale Implementation of Hydro Projects over the years'.

CAPITAL STRUCTURE (as on 30th September 2009)

(Rs in Crores)

Particulars	Amount
1. SHARE CAPITAL	
Authorised:15000000000 Equity Shares of Rs 10/- each	15000.00
Issued, Subscribed and Paid up: 12300742773 Equity Shares of Rs 10 each fully paid up (Out of above 62952960 Shares of Rs 10/- each have been allotted for consideration other than cash pursuant to agreement with Government of India)	12300.74
2. SHARE PREMIUM	2867.30

Share Capital History of our Company:

All allotments of Equity Shares are to the President of India acting through MoP, against funds released by the GoI. The following is the history of the Equity Share capital of our Company:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
--------------------------	----------------------	------------------	-------------------	--	---	---------------------------------	----------------------------	--

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
August 13, 1976	3,283	1,000	1,000	Cash	Nil	3,283	32,83,000	0.33
December 29, 1976	1,950	1,000	1,000	Cash	Nil	5,233	19,50,000	0.52
April 28, 1977	2	1,000	1,000	Cash	Nil	5,235	2,000	0.52
September 3, 1977	40,000	1,000	1,000	Cash	Nil	45,235	4,00,00,000	4.52
February 28, 1978	6,29,529	1,000	1,000	Other than cash	Nil	6,74,764	62,95,29,000	67.48
February 28, 1978	60,700	1,000	1,000	Cash	Nil	7,35,464	6,07,00,000	73.55
September 18, 1978	73,298	1,000	1,000	Cash	Nil	8,08,762	7,32,98,000	80.88
February 2, 1979	25,000	1,000	1,000	Cash	Nil	8,33,762	2,50,00,000	83.38
August 6, 1980	1	1,000	1,000	Cash (Rs. 400) Other than cash (Rs. 600)	Nil	8,33,763	1,000	83.38
March 31, 1981	1,46,150	1,000	1,000	Cash	Nil	9,79,913	14,61,50,000	97.99
December 21, 1981	15,000	1,000	1,000	Cash	Nil	9,94,913	1,50,00,000	99.49
March 27, 1982	33,300	1,000	1,000	Cash	Nil	10,28,213	3,33,00,000	102.82
June 14, 1982	35,000	1,000	1,000	Cash	Nil	10,63,213	3,50,00,000	106.32
September 02, 1982	36,000	1,000	1,000	Cash	Nil	10,99,213	3,60,00,000	109.92
December 14, 1982	1,24,000	1,000	1,000	Cash	Nil	12,23,213	12,40,00,000	122.32
February 23, 1983	15,000	1,000	1,000	Cash	Nil	12,38,213	1,50,00,000	123.82
March 26, 1983	60,000	1,000	1,000	Cash	Nil	12,98,213	6,00,00,000	129.82
June 6, 1983	32,900	1,000	1,000	Cash	Nil	13,31,113	3,29,00,000	133.11
September 5, 1983	61,859	1,000	1,000	Cash	Nil	13,92,972	6,18,59,000	139.30
December 16, 1983	48,550	1,000	1,000	Cash	Nil	14,41,522	4,85,50,000	144.15
March 5, 1984	2,14,541	1,000	1,000	Cash	Nil	16,56,063	21,45,41,000	165.61
May 14, 1984	1,39,579	1,000	1,000	Cash	Nil	17,95,642	13,95,79,000	179.56
January 8, 1985	4,27,459	1,000	1,000	Cash	Nil	22,23,101	42,74,59,000	222.31
June 21, 1985	11,75,665	1,000	1,000	Cash	Nil	33,98,766	1,17,56,65,000	339.88
November 18, 1985	4,72,500	1,000	1,000	Cash	Nil	38,71,266	47,25,00,000	387.12
February 24, 1986	4,20,000	1,000	1,000	Cash	Nil	42,91,266	42,00,00,000	429.13
June 6, 1986	8,03,546	1,000	1,000	Cash	Nil	50,94,812	80,35,46,000	509.48
December 26, 1986	3,05,000	1,000	1,000	Cash	Nil	53,99,812	30,50,00,000	539.98
March 31, 1987	10,000	1,000	1,000	Cash	Nil	54,09,812	1,00,00,000	540.98

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
April 29, 1987	3,31,200	1,000	1,000	Cash	Nil	57,41,012	33,12,00,000	574.10
November 25, 1987	11,26,681	1,000	1,000	Cash	Nil	68,67,693	1,12,66,81,000	686.77
March 9, 1988	1,57,700	1,000	1,000	Cash	Nil	70,25,393	15,77,00,000	702.54
May 4, 1988	1,62,258	1,000	1,000	Cash	Nil	71,87,651	16,22,58,000	718.77
August 17, 1988	4,75,000	1,000	1,000	Cash	Nil	76,62,651	47,50,00,000	766.27
December 28, 1988	2,49,500	1,000	1,000	Cash	Nil	79,12,151	24,95,00,000	791.22
March 27, 1989	65,789	1,000	1,000	Cash	Nil	79,77,940	6,57,89,000	797.80
December 28, 1989	5,09,700	1,000	1,000	Cash	Nil	84,87,640	50,97,00,000	848.76
April 2, 1990	1,04,800	1,000	1,000	Cash	Nil	85,92,440	10,48,00,000	859.24
July 16, 1990	41,50,400	1,000	1,000	Cash	Nil	1,27,42,840	4,15,04,00,000	1,274.28
August 30, 1990	2,50,000	1,000	1,000	Cash	Nil	1,29,92,840	25,00,00,000	1,299.28
October 29, 1990 and November 5, 1990	8,20,000	1,000	1,000	Cash	Nil	1,38,12,840	82,00,00,000	1,381.28
January 24, 1991	19,45,000	1,000	1,000	Cash	Nil	1,57,57,840	1,94,50,00,000	1,575.78
February 26, 1991	4,35,200	1,000	1,000	Cash	Nil	1,61,93,040	43,52,00,000	1,619.30
May 13, 1991	9,26,300	1,000	1,000	Cash	Nil	1,71,19,340	92,63,00,000	1,711.93
July 17, 1991	6,40,000	1,000	1,000	Cash	Nil	1,77,59,340	64,00,00,000	1,775.93
August 9, 1991	2,15,000	1,000	1,000	Cash	Nil	1,79,74,340	21,50,00,000	1,797.43
November 27, 1991	7,11,800	1,000	1,000	Cash	Nil	1,86,86,140	71,18,00,000	1,868.61
December 24, 1991	5,38,000	1,000	1,000	Cash	Nil	1,92,24,140	53,80,00,000	1,922.41
June 19, 1992	11,87,200	1,000	1,000	Cash	Nil	2,04,11,340	1,18,72,00,000	2,041.13
August 5, 1992	3,90,000	1,000	1,000	Cash	Nil	2,08,01,340	39,00,00,000	2,080.13
October 9, 1992	6,05,000	1,000	1,000	Cash	Nil	2,14,06,340	60,50,00,000	2,140.63
November 27, 1992	3,70,000	1,000	1,000	Cash	Nil	2,17,76,340	37,00,00,000	2,177.63
January 27, 1993	7,76,000	1,000	1,000	Cash	Nil	2,25,52,340	77,60,00,000	2,255.23
July 2, 1993	9,58,500	1,000	1,000	Cash	Nil	2,35,10,840	95,85,00,000	2,351.08
September 2, 1993	5,60,000	1,000	1,000	Cash	Nil	2,40,70,840	56,00,00,000	2,407.08
November 25, 1993	9,20,000	1,000	1,000	Cash	Nil	2,49,90,840	92,00,00,000	2,499.08
June 15, 1996	(20,56,461)*	1,000	1,000	-	-	2,29,34,379	-	2,293.44
June 15, 1996	20,58,600	1,000	1,000	Cash	Nil	2,49,92,979	2,05,64,61,000	2,499.30
July 25, 1997	(2,38,832)*	1,000	1,000	-	Nil	2,47,54,147	-23,88,32,000	2,475.41

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
July 25,1997	13,91,800	1,000	1,000	Cash	Nil	2,61,45,947	1,39,18,00,000	2,614.59
September 23,1997	5,11,000	1,000	1,000	Cash	Nil	2,66,56,947	51,10,00,000	2,665.69
November 1,1997	15,70,000	1,000	1,000	Cash	Nil	2,82,26,947	1,57,00,00,000	2,822.69
December 5,1997	5,00,000	1,000	1,000	Cash	Nil	2,87,26,947	50,00,00,000	2,872.69
February 21,1998	9,60,000	1,000	1,000	Cash	Nil	2,96,86,947	96,00,00,000	2,968.69
July 22,1998	10,65,000	1,000	1,000	Cash	Nil	3,07,51,947	1,06,50,00,000	3,075.19
September 18,1998	6,40,000	1,000	1,000	Cash	Nil	3,13,91,947	64,00,00,000	3,139.19
October 17,1998	3,30,000	1,000	1,000	Cash	Nil	3,17,21,947	33,00,00,000	3,172.19
November 13/19, 1998	50,000	1,000	1,000	Cash	Nil	3,17,71,947	5,00,00,000	3,177.19
January 4, 1999	5,44,200	1,000	1,000	Cash	Nil	3,23,16,147	54,42,00,000	3,231.61
January 29, 1999	50,000	1,000	1,000	Cash	Nil	3,23,66,147	5,00,00,000	3,236.61
March 19, 1999	10,09,800	1,000	1,000	Cash	Nil	3,33,75,947	1,00,98,00,000	3,337.59
April 28, 1999	6,06,400	1,000	1,000	Cash	Nil	3,39,82,347	60,64,00,000	3,398.23
July 31, 1999	8,42,600	1,000	1,000	Cash	Nil	3,48,24,947	84,26,00,000	3,482.49
July 31, 1999	6,30,000	1,000	1,000	Cash	Nil	3,54,54,947	63,00,00,000	3,545.49
August 27, 1999	13,14,600	1,000	1,000	Cash	Nil	3,67,69,547	1,31,46,00,000	3,676.95
September 24,1999	60,000	1,000	1,000	Cash	Nil	3,68,29,547	6,00,00,000	3,682.95
October 25,1999	20,000	1,000	1,000	Cash	Nil	3,68,49,547	2,00,00,000	3,684.95
November 30,1999	5,20,000	1,000	1,000	Cash	Nil	3,73,69,547	52,00,00,000	3,736.95
January 18,2000	4,70,000	1,000	1,000	Cash	Nil	3,78,39,547	47,00,00,000	3,783.95
February 3,2000	9,22,100	1,000	1,000	Cash	Nil	3,87,61,647	92,21,00,000	3,876.16
March 10,2000	8,90,000	1,000	1,000	Cash	Nil	3,96,51,647	89,00,00,000	3,965.16
March 30,2000	3,20,800	1,000	1,000	Cash	Nil	3,99,72,447	32,08,00,000	3,997.24
April 26,2000	2,32,500	1,000	1,000	Cash	Nil	4,02,04,947	23,25,00,000	4,020.49
July 20,2000	11,78,300	1,000	1,000	Cash	Nil	4,13,83,247	1,17,83,00,000	4,138.32
August 25, 2000	14,00,000	1,000	1,000	Cash	Nil	4,27,83,247	1,40,00,00,000	4,278.32
September 27, 2000	6,91,800	1,000	1,000	Cash	Nil	4,34,75,047	69,18,00,000	4,347.50
October 24, 2000	12,39,100	1,000	1,000	Cash	Nil	4,47,14,147	1,23,91,00,000	4,471.41
March 8, 2001	14,30,800	1,000	1,000	Cash	Nil	4,61,44,947	1,43,08,00,000	4,614.49
April 30, 2001	14,80,000	1,000	1,000	Cash	Nil	4,76,24,947	1,48,00,00,000	4,762.49
June 20,	29,11,500	1,000	1,000	Cash	Nil	5,05,36,447	2,91,15,00,000	5,053.64

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
2001							0	
September 7, 2001	9,46,400	1,000	1,000	Cash	Nil	5,14,82,847	94,64,00,000	5,148.28
November 26, 2001	14,47,700	1,000	1,000	Cash	Nil	5,29,30,547	1,44,77,00,000	5,293.05
April 30, 2002	62,67,700	1,000	1,000	Cash	Nil	5,91,98,247	6,26,77,00,000	5,919.82
July 24, 2002	6,35,100	1,000	1,000	Cash	Nil	5,98,33,347	63,51,00,000	5,983.33
August 22, 2002	10,18,400	1,000	1,000	Cash	Nil	6,08,51,747	1,01,84,00,000	6,085.17
October 21, 2002	18,57,500	1,000	1,000	Cash	Nil	6,27,09,247	1,85,75,00,000	6,270.92
December 23, 2002	21,69,300	1,000	1,000	Cash	Nil	6,48,78,547	2,16,93,00,000	6,487.85
February 26, 2003	20,55,350	1,000	1,000	Cash	Nil	6,69,33,897	2,05,53,50,000	6,693.39
April 28, 2003	12,13,700	1,000	1,000	Cash	Nil	6,81,47,597	1,21,37,00,000	6,814.76
June 11, 2003	10,66,200	1,000	1,000	Cash	Nil	6,92,13,797	1,06,62,00,000	6,921.38
July 28, 2003	14,40,000	1,000	1,000	Cash	Nil	7,06,53,797	1,44,00,00,000	7,065.38
September 30, 2003	21,22,100	1,000	1,000	Cash	Nil	7,27,75,897	2,12,21,00,000	7,277.59
December 18, 2003	22,38,500	1,000	1,000	Cash	Nil	7,50,14,397	2,23,85,00,000	7,501.44
January 27, 2004	27,41,900	1,000	1,000	Cash	Nil	7,77,56,297	2,74,19,00,000	7,775.63
April 28, 2004	42,75,500	1,000	1,000	Cash	Nil	8,20,31,797	4,27,55,00,000	8,203.18
July 30, 2004	23,69,400	1,000	1,000	Cash	Nil	8,44,01,197	2,36,94,00,000	8,440.12
September 15, 2004	30,58,700	1,000	1,000	Cash	Nil	8,74,59,897	3,05,87,00,000	8,745.99
October 30, 2004	23,54,200	1,000	1,000	Cash	Nil	8,98,14,097	2,35,42,00,000	8,981.41
December 30, 2004	18,71,200	1,000	1,000	Cash	Nil	9,16,85,297	1,87,12,00,000	9,168.53
March 24, 2005	25,70,900	1,000	1,000	Cash	Nil	9,42,56,197	2,57,09,00,000	9,425.62
April 21, 2005	15,88,900	1,000	1,000	Cash	Nil	9,58,45,097	1,58,89,00,000	9,584.51
July 22, 2005	9,94,300	1,000	1,000	Cash	Nil	9,68,39,397	99,43,00,000	9,683.94
September 30, 2005	18,59,300	1,000	1,000	Cash	Nil	9,86,98,697	1,85,93,00,000	9,869.87
September 30, 2005	83,323	1,000	1,000	Cash	Nil	9,87,82,020	8,33,23,000	9,878.20
November 23, 2005	10,46,900	1,000	1,000	Cash	Nil	9,98,28,920	1,04,69,00,000	9,982.89
December 29, 2005	17,57,100	1,000	1,000	Cash	Nil	10,15,86,020	1,75,71,00,000	10,158.60
March 24, 2006	5,66,800	1,000	1,000	Cash	Nil	10,21,52,820	56,68,00,000	10,215.28
April 20, 2006	2,03,800	1,000	1,000	Cash	Nil	10,23,56,620	20,38,00,000	10,235.67
July 21, 2006	11,36,800	1,000	1,000	Cash	Nil	10,34,93,420	1,13,68,00,000	10,349.34
September 6, 2006	15,11,200	1,000	1,000	Cash	Nil	10,50,04,620	1,51,12,00,000	10,500.46



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
February 7, 2007	24,56,200	1,000	1,000	Cash	Nil	10,74,60,820	2,45,62,00,000	10,746.08
March 13, 2007	13,54,600	1,000	1,000	Cash	Nil	10,88,15,420	1,35,46,00,000	10,881.54
March 13, 2007	The equity shares of Rs. 1,000 each were split into Equity Shares of the face value of Rs. 10 each.							
March 26, 2007	31,66,70,500	10	10	Cash	Nil	11,19,82,12,500	3,16,67,05,000	11,198.21
May 26, 2007	(2,45,50,000)**	10	10	-	-	11,17,36,62,500	(24,55,00,000)	11,173.66
March 13, 2008	88,30,930	10	10	Cash	Nil	11,18,24,93,430	8,83,09,300	11,182.49
August 26, 2009	1118249343	10	36	Cash	2867.30***	12300742773	11182493430	12300.74

* Reduction of share capital on account of transfer of transmission assets to Power Grid Corporation of India Limited.

**Reduction of share capital on account of closure of Koel Karo hydroelectric project in the state of Jharkhand.

*** Adjustment of Share issue expenses of Rs 40.15 crores as per the provisions of Section 78 of the Companies Act, 1956.

SHAREHOLDING PATTERN (as on 04.12.2009)

S. No.	Category	Holding
1.	President of India	86.363632%
2.	Resident Individuals	5.957315%
3.	Bodies Corporate	2.040121%
4.	Foreign Institutional Investors	1.752277%
5.	Mutual Funds	1.340635%
6.	Banks	1.051032%
7.	Indian Financial Institution	1.019069%
8.	HUF	0.336209%
9.	Non- Resident Indian	0.086227%
10.	Clearing Members	0.047427%
11.	Trusts	0.005946%
12.	Overseas Corporate Bodies	0.000074%
13.	Foreign Nationals	0.000033%
14.	Nominee to President of India	0.000005%
	Total	100.000%

BORROWINGS

The Company raises debt from Domestic as well as International Markets in both Rupees and foreign currencies. Traditionally, a significant of external funding was in the foreign currency loans from multilateral agencies which were guaranteed by Government of India. In recent years,



the company increased reliance on domestic borrowings in Rupees in the form of Loan , Line of Credits and bonds. The company has both secured and unsecured borrowings. Secured borrowings account for over 69.74% of total borrowings as on September 30,2009 and mainly comprise Line of Credit with LIC & Term Loans from PFC. The details of borrowings is furnished below:

Debt Outstanding

(Rs in Crores)
(as on 30th September ,2009)

A. Loan Funds Secured	
Bonds	513.00
Term Loans from Banks/FIs-Indian Currency	7921.09
B. Loans Funds Unsecured	
Foreign Currency Borrowings guaranteed by Government of India	3124.24
Loans from Government of India	34.00
Short Term loans from Banks/ FIs	500.00
Total	12092.33



Summary Term Sheet

SL. NO.	PARTICULARS	SECURED NON CONVERTIBLE NON CUMULATIVE REDEEMABLE TAXABLE BONDS IN THE NATURE OF DEBENTURES THROUGH PRIVATE PLACEMENT (P-SERIES)
1	Issuer	NHPC LTD.
2	Instrument /Bond Series	Secured Redeemable Non-Convertible Bonds (P-Series)
3	Issue size	Rs 2000 crore (in one or more tranches before 28.02.10)
4.	Object of the issue	Meeting the debt requirement of on-going construction projects.
5	Denomination (face value)	Rs. 10 lakhs per Bond
6	Issue opening	19 th Jan 2010
7	Issue closing	21 st Jan 2010
8	Tenor	15 years
9	Moratorium	5 years
10	Redemption	In 10 equal installments commencing from the end of 6 th year up to the end of 15 th year from the Deemed Date of Allotment
11	Placement	Private Placement on Structured basis
12	Security	Mortgage of existing as well as future assets of the corporation on pari-passu basis including assets already mortgaged to LIC with minimum asset coverage of 1.25 times.
13	Coupon Rate	9.00% p.a. payable annually
14	Interest payment	First interest from the date of allotment and subsequently on last date of February every year.
15	Mode of Subscription	Full Face value payable along with application
16	NHPC Rating	AAA Fitch Rating
17	Trustee	IDBI Trusteeship Services Ltd. Asiad Building, 17, R. Kamani Marg, Mumbai-400 001
18	Listing	National Stock Exchange of India Ltd (NSE)
19	Issuance/ Trading	In Demat Mode
20	Depository	National Securities Depository Ltd. (NSDL) & Central Depository Services Ltd. (CDSL)
21	Registrars	M/s RCMC Share Registry Pvt. Ltd., Ground Floor, B-106, Sector-2, Noida-201 301 (UP)
22	Interest on Application money	At the respective coupon rate i.e. 9.00% from the date of realization of cheque(s)/ Demand Draft(s)/RTGS/ECS up to one day prior to the deemed date of allotment. In case of default of interest/or principal payment additional interest @2% will be payable.
23	Settlement	Payment of interest & repayment of principal shall be made by way of cheque(s)/ interest/redemption warrant(s)/Demand Draft(s)/credit through RTGS/ECS
24	Deemed Date of Allotment	01.02.2010



VIII. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR).

PRIVATE PLACEMENT OF 9.00% SECURED NON-CUMULATIVE NON CONVERTIBLE REDEEMABLE TAXABLE BONDS (P SERIES) IN THE NATURE OF DEBENTURES OF RS. 10 LAKH EACH FOR CASH AT PAR AGGREGATING TO RS 2000 CRORE

Issue Size

NHPC (the 'Issuer' or "NHPC Ltd" or "the Company" or the Corporation") proposes to raise Rs 2000 crore , by issue of Secured Non-Cumulative Non Convertible Redeemable Taxable bonds (P Series) in the nature of debentures of Rs. 10 lakh each by way of private placement ('the issue').

Registration and Government Approvals

The company can undertake the activities proposed by in view of the present approvals and not further approval from any Government authority (ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

The present issue of Secured Non-Cumulative Non-Convertible Redeemable Taxable Bonds is being made pursuant to the Resolution of the Board of Directors of the Company passed in its meetings held on 16th December 2009 wherein the Chairman and Managing Director / Director (Finance) have been authorized to raise Secured, Redeemable, Taxable, Non-Cumulative, P-Series of Bonds of Rs 2000 crore on private placement basis in D-mat form with in the borrowing powers as set out in 28th EGM held on 15.09.04 under section 293(1)(d) of the Companies Act. The aggregate amount of borrowings including the Bonds offered through this document is well within the limits of borrowings mentioned above. The Company can issue the bonds proposed by it in view of the present approvals and no further approvals in general from any Government Authority are required by it to undertake the proposed activity.

Objects of the Issue

The objects of the Fresh Issue are to utilise the proceeds of the Fresh Issue, to meet the debt requirement of the ongoing construction projects.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, we confirm that the activities we have been carrying out until now are in accordance with the objects clause of our Memorandum of Association.



Utilization of Issue Proceeds

The Company is managed by professionals under the supervision of its Board of Directors. Further, the Company is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue. The company further confirms that the proceeds of the current issue of Bonds shall not be used for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Minimum Subscription

As the current issue of Bonds is being made on private placement basis to LIC, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s) /proceeds(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

Underwriting

The present Issue of Bonds is on private placement basis and has been underwritten for Rs. 2000 Crores.

Nature of Bonds

The Bonds are to be issued in the form of Secure Non-Convertible Redeemable Bonds in the nature of Debentures (Series – P). The Bonds shall be issued under the Bond Trust Deed which will be executed in favour of Debenture Trustee.

Security

The NCDs in the nature of bonds shall be secured by first pari-passu charge over the fixed assets of the company both existing and future, with minimum asset coverage of the 1.25 time the issue amount. The company proposes to provide balance available coverage in its existing assets already mortgaged to LIC i.e. Parbati-II & Dhauliganga HE Projects on pari-passu basis. It is also proposed to mortgage our on-going Chamera-III HE project on pari-passu basis or any other property in the form of security for the proposed NCD.

The Company shall at all times maintain a minimum security cover of 1.25 times of the value of all the outstanding Bonds proposed to be issued.

The said security shall be created in favour of the Trustee within 3 months from the date of LIC disbursement (i.e. deemed date of allotment) failing which additional interest @ 2% p.a. on the outstanding amount of debentures shall be payable by the company from the date of disbursement till such creation of security to the satisfaction of LIC. In case security is not created within 6 months from the date of disbursement the LIC reserves the right to recall its outstanding principal amount on the aforesaid bonds along with all other monies including



compensation for all real / notional losses calculated on the basis as LIC may deem fit and accrued interest in respect thereof.

Face Value, Issue Price, Effective Yield for Investor

Each Bond has face value of Rs. 10,00,000/- and is issued at par i.e. for Rs. 10,00,000/-. The Bonds shall be redeemable at par i.e. for Rs. 10,00,000/- per Bond @ 1/10 of the face value of the Bond every year over a period of 10 years commencing from the from the end of 6th year up to the end of 15th year from the Deemed Date of Allotment . Since there is no premium or discount on either issue price or on redemption value of the Bonds, the effective yield for the investors shall be the same as the coupon rate on the respective bonds series.

Terms of Payment

The full face value of the Bonds applied for is to be paid along with the application form. LIC need to send in the application form and the cheque(s) / demand draft(s) / RTGS/ECS for the full face value of the Bonds applied for.

Face Value per Bond	Minimum Application for	Amount Payable on Application per Bond
Rs 10,00,000/-	NA	Rs10,00,000/-

Deemed Date of Allotment

Interest on Bonds shall accrue to the Bondholder(s) from and including 01.02.2010 which shall be the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the investors from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The company reserves the right to modify allotment date / deemed date of allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed (pre-poned / postponed), the Deemed Date of Allotment may also be changed (pre-poned / postponed) by the Company at its sole and absolute discretion.

Letter(s) of Allotment / Bond Certificate(s) / Refund Order(s) Issue Letter(s) of Allotment

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) / Depository Participant will be given initial credit within 2 working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Bond Certificate.

Issue of Bond Certificate(s)

Subject to the completion of all statutory formalities within 3 months from the Deemed Date of Allotment, or such extended period as may be approved by the appropriate authority(ies), the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be



replaced with the number of Bonds allotted. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, 1996, Security and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL / CDSL / Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

Depository Arrangements

The Company has appointed M/s RCMC Share Registry Pvt. Ltd. Ground Floor, B-106, Sector-2, Noida-201301, as Registrars & Transfer Agent for the present bond issue. The Company has made necessary depository arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for issue and holding of Bonds in dematerialized form. In this context the Company has signed two agreements as under:

Tripartite Agreement dated 24.12.2001 between NHPC Limited, M/s RCMC Share Registry Pvt. Ltd. and National Securities Depository Ltd. (NSDL) for offering depository option to the investors.

Tripartite Agreement dated 01.01.2002 between NHPC Limited, M/s RCMC Share Registry Pvt. Ltd. and Central Depository Services (I) Ltd. (CDSL) for offering depository option to the investors.

Investors can hold the bonds only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time

Procedure for applying for Demat Facility

1. The applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
2. The applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application Form under the heading 'Details for Issue of Bonds in Electronic/ Dematerialised Form'.
3. Bonds allotted to an applicant will be credited directly to the applicant's respective Beneficiary Account(s) with the DP.
4. For subscribing the bonds, names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.
5. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrars to the Issue.
6. If incomplete/incorrect details are given under the heading 'Details for Issue of Bonds in Electronic/ Dematerialised Form' in the application form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Company.
7. For allotment of Bonds, the address, nomination details and other details of the applicant as registered with DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of its demographic details given in the application form vis-a-vis those with their DP. In case the information is incorrect or insufficient, the Issuer - would not be liable for losses, if any.
8. It may be noted that Bonds being issued in electronic form, the same can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. National Stock Exchange of India Ltd., where the Bonds of the Company are proposed to be listed has connectivity with NSDL and CDSL.
9. Interest or other benefits would be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depositories to the Company as on Record Date/ Book Closure Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/ Book Closure Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Market Lot



The market lot will be one Bond ("Market Lot"). Since the Bonds are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

Trading of Bonds

The marketable lot for the purpose of trading of Bonds shall be one Bond i.e. in denomination of Rs.10 lakh. Trading of Bonds would be permitted in demat mode only and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation wide trading terminal or such other platform as may be specified by SEBI.

Mode of Transfer of Bonds

Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The provisions of The Depositories Act, 1996 read with the Companies Act, 1956 shall apply for transfer and transmission of Bonds.

Interest on Application Money

Interest at the coupon rate @ 9.00% p.a, (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to all the applicants on the application money for bonds.

Such interest shall be paid from and including the date of realisation of cheque(s)/ demand draft(s)/ RTGS/ECS upto but excluding the Deemed Date of Allotment. The interest on application money will be computed on the basis of actual number of days elapsed in a year. For this purpose a year would comprise a period of 365 days. In the leap year the month of February shall be considered as of 28 days and the year would be of 365 days.

Interest on the Bonds

The Bonds shall carry interest at coupon rate i.e @ 9.00% p.a [subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company]. The first interest shall be computed from the Deemed Date of Allotment till 27.02.2010 and will be paid on 28.02.2010. Thereafter interest payment shall be made annually on last day of February each year till final maturity of the Bonds so as to include the previous interest payment date and exclude the current interest payment date. Final interest payment for the broken period shall be made on the date of maturity. Interest on Bonds will cease from the date of final redemption in all events. The Company retains the right to revise (pre-pone/ postpone) the above interest payment date(s) at its sole and absolute discretion.

If any interest payment date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in the city of Mumbai, Maharashtra), then payment of , interest will be made on the next day that is a business day but without liability for making payment of interest for the intervening period. In case of default of interest/or principal payment additional interest @2% will be payable.

Computation of Interest

The interest shall be computed on the basis of actual number of days elapsed in a year on the face value of principal outstanding on the Bonds at the applicable coupon rate rounded off to the nearest Rupee. For this purpose a year would comprise a period of 365 days.



Record Date

The 'Record Date' for the Bonds shall be 20 days prior to each interest payment and/ or principal repayment date. Interest and/or principal repayment shall be made to the person whose name appears as sole first in the register of bondholders/ beneficiaries position of the Depositories on record date. In the event of the Company not receiving any notice of transfer at least 20 days before the respective due date of payment of interest and at least 20 days prior to the maturity date, the transferees for the Bonds shall not have any claim against the Company in respect of interest so paid to the registered bondholder.

Deduction of Tax at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/ lower rate of TDS, relevant certificate(s)/ document(s) must be lodged at least 15 days before the payment of interest becoming due with the Registrars, RCMC Share Registry Pvt. Ltd. Ground Floor, B-106, Sector-2, Noida-201301, UP Tel No: (0120) 4015800, Fax No. 91-120-2444346 or directly to Domestic Finance Section of the Company located at 4th Floor, NHPC Ltd, Sector-33, Faridabad, Haryana-121003.

Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money, should be submitted along with the application form. Where any deduction of Income Tax is made at source, the Company shall send to the Bondholder(s) a Certificate of Tax Deduction at Source.

Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective Investors are advised to consult their own tax consultant(s).

Redemption

1/10th of the face value of the Bond will be redeemed at par every year over a period of 10 years commencing from the end of 6th year to the end of 15th year from the Deemed date of allotment. The Bond will not carry any obligation, for interest or otherwise, after the date of redemption. The Bonds held in the dematerialised form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Bondholders whose name appear in the Register of Bondholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Bondholders.

In case if the principal redemption date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in the city of Mumbai, Maharashtra), then the payment due shall be made on the next Business Day together with additional interest for the intervening period.

Settlement/ Payment on Redemption

Payment on redemption will be made by way of cheque(s)/ redemption warrants(s)/ demand draft(s)/ credit through RTGS system/ECS in the name of the Bondholders whose name appear on the List of

Beneficial Owners given by Depository to the Company as on the Record Date/ Book Closure Date.

The Bonds shall be taken as discharged on payment of the redemption amount by the Company on maturity to the list of Beneficial Owners as provided by NSDL/ CDSL/ Depository Participant. Such payment will be a legal discharge of the liability of the Company towards the Bondholders. On such payment being made, the Company shall inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Bondholders with NSDL/ CDSL/ Depository Participant shall be adjusted (debited).

The Company's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the date of



redemption. On the Company dispatching/ crediting the amount to the Beneficiary(ies) as specified above in respect of the Bonds, the liability of the Company shall stand extinguished.

Effect of Holidays

Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Deemed Date of Allotment, fall on a Saturday, Sunday or a Public Holiday, the next working day shall be considered as the effective date(s).

List of Beneficial Owners /Register of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be. The depositories shall maintain a register and an index of Beneficial Owners in the manner provided in Sections 150,151 and 152 of the Companies Act, 1956.

Who Can Apply

The following categories are eligible to apply for this private placement of Bonds:

- .Financial Institutions.
- .Insurance Companies.
- .Scheduled Commercial Banks and Subsidiaries of Nationalised Banks.
- .State Co-operative Banks.
- .Mutual Funds.
- .Provident Funds, Superannuation Funds, Gratuity Funds. .
- Statutory Corporations, Boards etc.
- .Registered Trusts.
- .Corporate Bodies.
- .Foreign Institutional Investors.
- .Registered Societies.

Documents to be provided by applicants

Investors need to submit duly certified true copies of the following documents, as may be applicable to them, alongwith the Application Form:-

Financial Institutions, Insurance Companies, Statutory Corporations, Boards, Corporate Bodies, Foreign Institutional Investors:-

- i. Resolution authorising the investment and containing operating instructions; and
- ii. Specimen Signatures of authorised signatories.
- iii. SEBI Registration Certificate (for Fils only).

Scheduled Commercial Banks, Subsidiaries of Nationalised Banks, State Co-operative Banks:-

- i. Power of Attorney; and
- ii. Specimen Signatures of authorised signatories.

Mutual Funds:-

- i. SEBI Registration Certificate;
- ii. Resolution passed by the competent authority authorising the investment and containing operating instructions; and
- iii. Specimen Signatures of authorised signatories.

Provident Funds, Superannuation Funds, Gratuity Funds:-

- i. Resolution passed by the competent authority authorising the investment; and ii. Specimen Signatures of authorised signatories.

Registered Trusts, Registered Societies:-

- i. Constitution of the Institutions such as Trust Deed/Bye-laws/Resolutions etc.;
- ii. Resolution authorising the investment and containing operating instructions; and iii. Specimen Signatures of authorised signatories.



In addition to above, the investors may also attach such other documents as may be considered necessary by them. For investments made under Power of Attorney, certified true copy of notarised/registered Power of Attorney or other authority may also be submitted.

However, out of the aforesaid class of investors eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Company for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Disclosure Document from) the Company.

Application under Power of Attorney or by Limited Companies

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organisations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the application form, quoting the serial number of the application form and the Bank's branch where the application has been submitted, at the office of the Registrars to the Issue after submission of the application form to the Bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

Mode of Subscription / How to Apply

This being a private placement offer, investors who are established resident in India and who have been addressed through this communication directly, only are eligible to apply.

Copies of Disclosure Document and Application form may be obtained from the Registered Office of NHPC Ltd. Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein.

All cheques/ demand drafts should be in favour of "NHPC Limited" and crossed "Account Payee Only". The entire amount of Rs. 10 lakh (Rs. Ten lakh only) per Bond is payable on application. Alternatively, investors can remit their application money by way of electronic transfer of funds through RTGS mechanism for credit in the account of "NHPC Limited" at Axis Bank, Ballabgarh Branch, Faridabad as per the details given in the general instructions to the applicants, attached to the application form.

Applications complete in all respects (along with all necessary documents as detailed in this Disclosure Document) must be submitted before the last date indicated in the issue time table or such extended time as decided by the Issuer, at any of the designated collection centres, accompanied by the subscription amount by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative, bank which is situated at and is a member of the Bankers' clearing house located at a place where the application form is submitted. Cash, outstation cheques, money orders, postal orders and stockinvest shall not be accepted. The Company assumes no responsibility for any applications/ cheques/ demand drafts lost in mail. Detailed instructions for filling up the application form and list of collection centres are provided elsewhere in this Disclosure Document.

Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's



own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant should mention their Permanent Account Number (PAN) allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A(5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

Unless the Company specifically agrees in writing with or without such terms or conditions it deems fit, a separate single cheque/ demand draft must accompany each Application Form. Applicants are requested to write their names and application serial number on the reverse of the instruments by which the payments are made.

No separate receipts shall be issued for the application money. However, Bankers to the Issue at their Designated Branch(es) receiving the duly completed Application Forms will acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. Applications shall be deemed to have been received by the Issuer Company only when submitted to Bankers to the Issue at their designated branches or on receipt by the Registrar as detailed above and not otherwise.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. For further instructions, please read General Instructions along with the Application Form carefully.

Force Majeure

The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be alongwith the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged alongwith the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Company or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Company from time to time through a suitable communication.

Right to Accept or Reject Applications

The Company reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable.

PAN/GIR Number

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Cirlet Ward/ District. In case where neither



the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

Bondholder not a Shareholder

The bondholders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Company, such resolution will first be placed before the bondholders for their consideration.

Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Company.

Future Borrowings

The Company will be entitled to borrow/raise loans or avail of Financial Assistance in whatever form and to issue Debentures/Bonds/other Securities in any manner on such terms and conditions as the Company may think appropriate without any consent of Bondholders under any series.

Purchase/ Sale of Bonds

The Company may, at any time and from time to time, purchase Bonds at discount, at par or at premium in the open market or otherwise in accordance with the applicable laws. Such Bonds, at the option of the Company, may be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

Right to Re-issue of Bonds

Where the Company has redeemed any such Bonds, subject to provisions of Section 121 of The Companies Act, 1956 and other applicable provisions, the Company shall have and shall be deemed always to have had the right to keep such bonds alive for the purpose of re-issue and in exercising such right, the Company shall have and shall be deemed always to have had the power to re-issue such bonds as per the provisions of law either by reissuing the same bonds or by issuing other bonds in their place.

Bond/ Debenture Redemption Reserve (DRR)

The Company shall create a Bond/Debenture Redemption Reserve in accordance with Section 117 C of the Companies Act, 1956.

Disputes & Governing laws and jurisdiction

The Bonds shall be construed to be governed in accordance with Indian laws and rules framed there under. The Courts in New Delhi alone shall have exclusive jurisdiction in connection with any dispute/difference between the Company and the Beneficial Owners of Bonds under these presents.

Notices

The notices to the Beneficial Owners of Bonds required to be given by the Company shall be deemed to have been given if sent by Registered Post/ Speed Post/ Courier/Ordinary Post to the Registered Beneficial Owner of Bonds and /or if an advertisement is given in a newspaper circulating in the neighborhood of the Registered Office of the Company and/ or if communication in this regard has been effected to the depositories.

All notices to be given by the Beneficial Owners of Bonds shall be sent by Registered Post or by Hand Delivery to the Company or such persons, at such address, as may be notified by the Company from time to time.



Tax Benefits to the Bondholders of the Company

The holder(s) of the Bonds are advised to consider in their own case, the tax implications in respect of subscription to the Bonds after consulting their own tax advisor/ counsel.

COMPLIANCE OFFICER AND COMPANY SECRETARY

Mr. Vijay Gupta

NHPC Office Complex

Sector - 33, Faridabad 121 003

Haryana, India

Tel: +91 129 227 8421

Fax: +91 129 227 7941

E-mail: companysecretary@nhpc.nic.in

The investors can contact the Compliance Officer in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ bond certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc.

IX. CREDIT RATING & RATIONALE THEREOF

The Fitch Ratings India Pvt. Ltd. vide letter dated 07.01.2010 has assigned "AAA" (pronounced "Triple A") rating to the Bonds being issued under the current placement. This rating indicates highest safety with regard to timely payment of interest and principal on the instrument. A copy of the letter dated 07.01.2010 from Fitch Ratings India Pvt. Ltd. is enclosed elsewhere in this Disclosure Document.

Other than the credit ratings mentioned hereinabove, the Company has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

X. NAME OF DEBENTURE TRUSTEE

In accordance with the provisions of Section 117B of the Companies Act, 1956 (1 of 1956) and Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Company has appointed IDBI Trusteeship Services Limited, to act as Trustees ("Trustees") for and on behalf of the holder(s) of the Bonds. The address and contact details of the Trustees are as under:

IDBI Trusteeship Services Ltd. ~ Registered Office

Asian Building, Ground Floor 17, R Kamani Marg Mumbai -400 001

Tel No. (022) 40807000

Fax No. 91-22-66311776

E-mail: itsl@idbitrustee.co.in

A copy of letter dated 04.01.2010 from IDBI Trusteeship Services Limited, conveying their consent to act as Trustee for the current issue of Bonds is enclosed elsewhere in this Disclosure Document.

The Company hereby undertakes that a Trust Deed shall be executed by it in favour of the Trustees within three months of the closure of the Issue. The Trust Deed shall contain such clauses as may be prescribed under section 117 A of the Companies Act, 1956 and those



mentioned in Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Company in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustees or the Company for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds. Any payment made by the Company to the Trustees on behalf of the Bondholder(s) shall discharge the Company pro tanto to the Bondholder(s). The Trustees shall protect the interest of the Bondholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Company. No Bondholder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so. In the event of Company defaulting in payment of interest on Bonds or redemption thereof, any distribution of dividend by the Company shall require approval of the Trustees.

XI. STOCK EXCHANGE WHERE SECURITIES ARE PROPOSED TO BE LISTED

9.00% Secured Non-Convertible Redeemable Bonds in the nature of Debentures (Series-P) are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Ltd. ("NSE"). The Company has obtained an in-principle approval from the NSE for listing of said Bonds on its Wholesale Debt Market (WDM) Segment. The Company shall make an application to the NSE to list the Bonds to be issued and allotted under this Disclosure Document and complete all the formalities relating to listing of the Bonds within 10 weeks from the date of closure of the Issue. If such permission is not granted within 10 weeks from the date of closure of the Issue or where such permission is refused before the expiry of the 10 weeks from the closure of the Issue, the Company shall forthwith repay without interest, all monies received from the applicants in pursuance of the Disclosure Document, and if such money is not repaid within 8 days after the Company becomes liable to repay it (i.e. from the date of refusal or 10 weeks from the date of closing of the subscription list, whichever is earlier), then the Company and every director of the Company who is an officer in default shall, on and from expiry of 8 days, will be jointly and severally liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under Section 73 of the Companies Act, 1956.

In connection with listing of Bonds with NSE, the Company hereby undertakes that:

- (a) It shall comply with conditions of listing of Bonds as may be specified in the Listing Agreement with NSE.
- (b) Ratings obtained by the Company shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the Company to NSE.
- (c) Any change in rating shall be promptly disseminated to the holder(s) of the Bonds in such manner as NSE may determine from time to time.
- (d) The Company, the Trustees and NSE shall disseminate all information and reports on Bonds including compliance reports filed by the Company and the Trustees regarding the Bonds to the holder(s) of Bonds and the general public by placing them on their websites.
- (e) Trustees shall disclose the information to the holder(s) of the Bonds and the general public by issuing a press release in any of the following events:
 - i. default by the Company to pay interest on Bonds or redemption amount;
 - ii. revision of rating assigned to the Bonds;
- (f) The information referred to in para (e) above shall also be placed on the websites of the Trustees, Company and NSE.

XII DETAILS OF OTHER BORROWINGS (DETAILS DEBT SECURITIES ISSUED IN THE PAST, PARTICULARS OF DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH OR AT A PREMIUM OR DISCOUNT OR IN PURSUANCE OF AN OPTION, HIGHEST TEN HOLDERS OF EACH CLASS OR KIND OF SECURITIES, DEBT EQUITY RATIO)



1. DETAILS OF BORROWINGS (Rs. Crore) (as on 30th September, 2009)

A. Foreign Currency Borrowings of our Company:

Set forth below is a brief summary of our significant outstanding foreign currency borrowings of Rs. 3,124.24 crore as of September 30, 2009, together with a brief description of certain significant terms, of such financing arrangements. All our foreign currency borrowings have been sanctioned to us in foreign currencies, however the same have been accounted for in Indian Rupees. All our foreign currency loans are guaranteed by the President of India.

S. No.	Name of Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) p.a.	Repayment Terms
1.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 1,389 crore vide a loan agreement dated March 31, 2004 for implementation of the Dhauliganga hydroelectric project	651.93	1.30	Repayment in 41 half yearly instalments from March 20, 2014
2.	Through a consortium of: Deutsche Bank AG, Tokyo ¹ ; HSBC Limited, Tokyo; ING Bank NV, Tokyo; Societe Generale, Tokyo; Standard Chartered Bank, Tokyo; and State Bank of India, Tokyo.	Term loan of Japanese Yen 1,824 crore vide a loan agreement dated October 18, 2002 for the implementation of the Teesta V project	937.62	0.57 over JPY six month LIBOR	Repayment in 20 half yearly instalments from April 18, 2009
3.	Export Development Corporation, Canada ²	Term loan up to CAD 17.50 crore vide a loan agreement dated November 4, 1999 for the construction of the	364.79	6.01	Repayment in 24 half yearly instalments from



S. No.	Name of Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) p.a.	Repayment Terms
		Chamera II power station			September 15, 2004
4.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 1,631.6 crore vide a loan agreement dated December 12, 1997 for the construction of the Dhauliganga II hydroelectric project	796.48	2.30	Repayment in 41 half yearly instalments from December 20, 2007
5.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 566.5 crore vide a loan agreement dated January 25, 1996 for implementation of the Dhauliganga hydroelectric project	216.54	2.30	Repayment in 41 half yearly instalments from January 20, 2006
6.	Nordic Investment Bank	Term loan of SEK 42 crore vide an agreement dated October 31, 1989 for the implementation of the Uri hydroelectric project	36.63	0.15 over the US\$ six month LIBOR	Repayment in 23 half yearly instalments from January 24, 2000
7.	Through a consortium of : Credit Commercial DE France; and Nataxis Banques Populaires, Paris.	Term loan of Euro 21.43 crore vide a loan agreement dated September 8, 1989 for the construction of the Dulhasti project	120.25	8.96	Repayment in 17 half yearly instalments from June 30, 2002

*The loan was taken from Overseas Economic Cooperation Fund, Japan. The name of the bank was subsequently changed to Japan Bank for International Cooperation. Further, as of October 1, 2008, the overseas international cooperation operations of the Japan Bank for International Cooperation was realigned and succeeded by the Japan International Cooperation Agency.

** The outstanding amounts have been calculated in Indian Rupees based on the exchange rates of the respective foreign currencies as on May 31, 2009. For details on exchange rates, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page x.

¹ If the GoI ceases to maintain its shareholdings in or ownership or control (direct or indirect) in the Company without the prior written consent of the lender the same would be considered as an event of default.



² No advance shall be made by the Export Development Corporation in respect of goods supplied to our Company from a country other than Canada or in respect of any non-Canadian services without the Export Development Corporation's prior consent.

B. Bonds Issued by our Company:

Set forth below is a brief summary of our outstanding bonds as on September 30, 2009 together with a brief description of certain significant terms of such financing arrangements.

The Company has also issued secured non-convertible taxable bonds of a face value of Rs. 10 crore each, aggregating Rs. 570 crore by an information memorandum dated March 27, 2003, which were subsequently listed on the NSE. The current amount outstanding as of June 30, 2009 is Rs. 513.00 crore. The terms of the O Series are as follows:

S. No.	Name of the Trustee	Nature of Bonds	Amount Outstanding (in Rs. crore)	Interest/Coupon Rate (p.a.)	Security	Redemption
1.	Axis Bank Limited ¹	Secured redeemable non-convertible taxable bonds of the face value of Rs. 10,00,00,000	513.00	7.70	A first <i>pari passu</i> mortgage over property situated at unit no 204-K, Keshava, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 A first <i>pari passu</i> mortgage and charge over all the immovable properties and movable plant and machinery of the Uri hydroelectric project	The secured non-convertible taxable Bonds are issued in 10 separately transferable redeemable principal parts each having a face value 1/10 th of original face value of Rs. 10,00,00,000 with yearly redemption date starting from March 31, 2009 until March 31, 2018



¹Formerly, UTI Bank Limited. The beneficial owners of the bonds/trustees shall have a right to appoint and remove nominee(s) on our Board, at any time during the currency of the secured non-onvertible taxable bonds.

C. Secured Medium Term Loans availed of by our Company:

Set forth below is a brief summary of our Company's significant outstanding secured medium term borrowings of Rs. 1,336.18 crore as of September 30, 2009 together with a brief description of certain significant terms, of such financing arrangements.

S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
1.	Indian Bank**	Term loan of Rs. 100 crore vide a term loan agreement dated October 4, 2006	100.00	7.21	Repayable in three yearly instalments from February 27, 2012	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) Chamera-I power station
2.	State Bank of Patiala	Term loan of Rs. 40 crore vide a term loan agreement dated January 9, 2002 and amended vide an agreement dated July 3, 2006	30.00	8.322	Repayable in 20 half yearly instalments of Rs. 2 crore each from July 9, 2007	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Chamera-I power station
3.	Oriental Bank of Commerce	Term loan of Rs. 100 crore vide a term loan agreement dated August 25, 2005	100.00	7.207	Repayable in 10 yearly instalments of Rs.10 crore each from December 27, 2011	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Uri power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
4.	Syndicate Bank	Term loan of Rs. 183 crore vide a composite hypothecation agreement dated February 23, 2005	146.40	7.207	Repayable in 10 yearly instalments of Rs. 18.30 crore from February 23, 2008	Charge on fixed assets (except book debts and stores) of the Uri power station
5.	Oriental Bank of Commerce	Term loan of Rs. 200 crore vide a term loan agreement dated February 23, 2005	160.00	7.207	Repayable in 10 yearly instalments of Rs. 20 crore each from March 31, 2008	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Uri power station
6.	Canara Bank	Term loan of Rs. 200 crore vide a term loan agreement dated November 10, 2004	160.00	6.86	Repayable in ten yearly instalments of Rs. 20 crore from November 9, 2007	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) on the Uri power station
7.	Canara Bank	Term loan of Rs. 85 crore vide a term loan agreement dated March 25, 2004	68.00	6.75	Repayable in five yearly instalments of Rs.17 crore each from January 30, 2009	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Chamera-I power station
8.	Canara Bank	Term loan of Rs. 50 crore vide a term loan agreement dated June 27, 2002	30.00	9.75	Repayable in four yearly instalments of Rs.10 crore from June 28, 2009	Exclusive charge on all the fixed and moveable assets (except book debts and stores) of the Loktak power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
9.	Indian Overseas Bank ²	Term loan of Rs. 50 crore vide a term loan agreement dated December 5, 2001	37.50	9.50	Repayable in four yearly instalments of Rs. 12.50 crore each from December 6, 2008	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of Chamera-I power station
10.	Housing Development Finance Corporation Limited ¹	Term loan of Rs. 100 crore vide a term loan agreement dated February 21, 2001	57.14	10.00	Repayable in 14 half yearly instalments of Rs. 7.14 crore each from February 13, 2007	<i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
11.	Punjab & Sind Bank ¹	Term loan of Rs. 100 crore vide a term loan agreement dated July 25, 2000	70.00	10.50	Repayable in 40 quarterly instalments of Rs.2.50 crore each from October 24, 2006	<i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
12.	State Bank of India ¹	Term loan of Rs. 150 crore vide a term loan agreement dated July 25, 2000	75.00	10.00	Repayable in 14 half yearly instalments of Rs. 10.71 crore each from September 18, 2006	First <i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
13.	State Bank of Patiala ¹	Term loan of Rs. 50 crore vide a term loan agreement dated July 25, 2000	28.57	10.75	Repayable in 14 half yearly instalments of Rs. 3.57 crore each with effect from January 30, 2007	First <i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
14.	Bank of India ¹	Term loan of Rs. 100 crore vide a term loan agreement dated July 25, 2000	70.00	9.75	Repayable in 40 quarterly instalments of Rs. 2.50 crore each from December 24, 2006	First <i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
15.	State Bank of Hyderabad ¹	Term loan of Rs. 50 crore vide a term loan agreement dated July 25, 2000	28.57	10.25	Repayable in 14 half yearly instalments of Rs. 3.57 crore each beginning January 7, 2007	First <i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
16.	Punjab National Bank	Term loan of Rs. 150 crore vide a term loan agreement dated June 12, 2000	75.00	8.25	Repayable in 20 half yearly instalments of Rs. 7.50 crore each from October 26, 2004	<i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
17.	Central Bank of India	Term loan of Rs. 100 crore, vide a term loan agreement dated June 12, 2000	45.00	9.00	Repayable in 20 half yearly instalments of Rs. 5 crore each from May 2, 2004	First <i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Chamera-II power station
18	Indian Bank	Term loan of Rs. 75 crore, vide a term loan agreement dated September 29, 2009	55.00	8.75%	Bullet repayment after 5 th Year	<i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Loktak power station & Bairasiul Power Station

** The loan was converted into a secured loan vide an agreement dated October 4, 2006.

¹ If the GoI ceases to hold less than 51% of the paid-up share capital of our Company, the same would be considered as an event of default.

² In the event our Company does not seek the prior written consent of the lender prior to making any change or in any way altering its capital structure, the same would be considered an event of default. The Indian Overseas Bank vide letter dated June 19, 2008 given its written consent for the change in capital structure of our Company for this Issue.

D. Secured Long Term Loans availed of by our Company:

Set forth below is a brief summary of our Company's outstanding secured long term borrowings of Rs. 6,584.91 crore as of September 30, 2009 together with a brief description of certain significant terms, of such financing arrangements.

S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
--------	----------------	-----------------------------	-----------------------------------	----------------------	-----------------	----------



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
1.	PFC ¹	Loan of Rs. 186 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the Teesta V project	167.40	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly.	Repayment on 40 equal quarterly instalments beginning on October 15, 2008	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.
2.	PFC ¹	Loan of Rs. 750 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the ongoing Teesta Low Dam Stage IV hydroelectric project	441.00	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment on 40 equal quarterly instalments beginning on October 15, 2011	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.
3.	PFC ¹	Loan of Rs. 70 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the Chutak hydroelectric project	70.00	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly.	Repayment on 40 equal quarterly instalments beginning on October 15, 2011	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
4.	PFC ¹	Loan of Rs. 500 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the ongoing Teesta Low Dam Project Stage III hydroelectric project	500.00	Yield on three years AAAINBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on January 15, 2010	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – Stage I



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
5.	PFC ¹	Loan of Rs. 413 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the ongoing Sewa II hydroelectric project	402.68	Yield on three years AAAINBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on July 15, 2009	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – I



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
6.	PFC ¹	Loan of Rs. 2,087 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the Parbati Stage II hydroelectric project	712.00	Yield on three years AAAINBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on July 15, 2011	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – Stage II and Uri I power station.
7.	LIC ^{3(a)(b)} ^{2(b)(c)}	Non-renewable line of credit of Rs. 6,500 crore vide a line of credit agreement dated February 17, 2005, for meeting fund requirement of constructions duly approved by the GoI, future joint venture projects, paying of high cost debt, for survey and	1,896.00	8.00% on the first tranche Rs. 11 crore repayable 8.43% on the second tranche of Rs. 85 crore repayable 8.65% on the third tranche of Rs. 50 crore repayable 9.53% on the fourth tranche of Rs. 35 crore repayable	Repayable in 24 half yearly instalments from April 30, 2012	Hypothecation of the moveable assets of the Company's Subansiri Lower hydroelectric project, the Teesta III Low Dam hydroelectric project and Teesta V power station and a mortgage on



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
		investigation projects and for any other purpose.		9.11% on the fifth tranche of Rs. 115 crore repayable. 9.15% on the sixth tranche of Rs. 50 crore repayable. 9.11% on the seventh tranche of Rs. 467 crore repayable. 8.88% on the eighth tranche of Rs. 483 crore repayable. 8.78% on the ninth tranche of Rs. 200 crore repayable. 9.78% on the tenth tranche of Rs. 400 crore repayable.		the fixed assets of the Teesta III Low Dam hydroelectric project and Teesta V power station
8	LIC ² (a)(b)(c)	Non-renewable line of credit of Rs. 2,500 crore vide a line of	2,395.83	9.25% on the first tranche of Rs. 100 crore repayable	Repayable in 24 half yearly instalments	First mortgage and charge on all the moveable and



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
		credit agreement dated February 14, 2003 for meeting part of capital expenditure of hydro electric projects being and/or to be implemented by our Company all over India during the period of the facility.		8% being payable on the remaining Rs. 2,400 crore repayable	from April 15, 2009	immovable assets, both present and future, of the Company's Parbati II hydroelectric project and the Dhauliganga power station

¹ Our Company has undertaken to maintain an asset value of at least 1.1 times the loan amount. Also, our Company shall not transfer or abandon the project at any stage without the written consent of PFC.

^{2(a)} Our Company undertakes to maintain:

- a ratio of debt to net worth, which does not exceed 2:1
- an interest coverage ratio of more than 1.5 times

Further, our Company undertakes to maintain security coverage ratio of 1.25 times of the outstanding principal at all times during the currency of the facility. In the event of default, the lender shall be entitled to the right to review the management setup or organisation of our Company and to require our Company to restructure it as it may consider necessary, including the formation of management committees, with such powers and functions as maybe considered suitable. The lender shall also be authorised to appoint its representatives on various committees. In the event of default, our Company further undertakes not to, without the prior written permission of the lender, amend its Memorandum or Articles of Association.

^(b) Our Company shall not without prior intimation to the lender, undertake any new project, diversification, modernisation or expansion of its existing projects. Our Company shall not create any subsidiaries or permit any company to become its subsidiary except with the prior intimation the lender. In the event, the Government's equity in our Company falls below 51%, the same shall be considered an event of default.

^(c) A fall in credit rating below AA+ and deterioration in financial strength measured by mutually agreed financial ratios, would be considered an event of default.

^{3(a)} Our Company has undertaken to maintain the following financial covenants:

- a ratio of debt to net worth does not exceed 2:1 at any point of time
- an interest coverage ratio of more than two times.

Further, Our Company has also undertaken to maintain a security coverage ratio of 1.33 times of the outstanding principal at all times during the currency of the facility.



A fall in credit rating below A and deterioration in financial strength measured by mutually agreed financial ratios would be considered an event of default.

E. Unsecured Long Term Subordinate Debts availed of by our Company:

Set forth below is the brief summary of our Company's outstanding unsecured long term subordinate debt of Rs. 34 crore as of September 30, 2009.

S. No.	Name of the Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest/Coupon Rate (p.a.)	Repayment Terms
1.	GoI, MoP	Subordinate debt of Rs. 270 crore for our Nimoo Bazgo project	34.00	4.00	Repayment w.e.f. the 12 th year after commissioning of the project till the 29 th year.
2.	GoI, MoP	Subordinate debt of Rs. 364 crore for our Chutak project	N.A.*	2.50	Repayment w.e.f. the 6 th year after commissioning of the project till the 29 th year.
3.	GoI, MoP	Subordinate debt of Rs. 2,380.44 crore for our Kishanganga project	N.A.*	1.00	Repayment w.e.f. the 11 th year after commissioning of the project till the 20 th year.

* There has been no drawdown under this sanction as of September 30, 2009

F. Unsecured Short Term Loan availed of by our Company:

Set forth below is the brief summary of our Company's outstanding unsecured short term loans of Rs. 500.00 crore as of September 30, 2009.

S. No.	Name of the Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest/Coupon Rate (p.a.)	Repayment Terms
1.	Indian Overseas Bank	Short term loan of Rs. 300 crore through a demand promissory note dated September 23, 2009.	300.00	5.95	Bullet repayment after expiry of 90 days.
2.	Indian Overseas Bank	Short term loan of Rs. 200 crore through a demand	200.00	5.95	Bullet repayment after expiry of 90 days.



S. No.	Name of the Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest/Coupon Rate (p.a.)	Repayment Terms
		promissory note dated September 26, 2009.			

2. DEBT EQUITY RATIO

(Rs in Crores)

Particulars	Pre-issue (as on 30 th September 2009)
Debt	
Secured	8434.09
Unsecured	3658.24
Total Debt	12092.33
Shareholders funds	
Share Capital	12300.74
Reserves & Surplus (excluding Revaluation Reserves)	10788.14
Advance Against Depreciation	1325.02
Net Worth	24413.90
DEBT EQUITY RATIO	0.495

3. TOP 10 EQUITY SHAREHOLDERS (as on 31/12/2009)

Sr. No.	Name of the Shareholder	Number of Shares held	% of holding
1	President of India	10623368158	86.363631%
2	Life Insurance Corporation of India Ltd.	555612724	0.452109%
3	State Bank Of India (Equity)	43123181	0.350574%
4	Uco Bank	31839914	0.258845%
5	Rhodes Diversified	31466696	0.255811%
6	ICICI Bank Ltd.	26536693	0.215732%
7	PCA India Infrastructure Equity open Ltd.	25504784	0.207343%
8	ICICI Prudential Infrastructure Fund	23343697	0.189775%



9	International opportunities Portfolio Management Ltd.	22901623	0.186181%
10	Emerging India Focus Funds	20229393	0.171638%
Total		10903926863	89.00%

4. TOP 10 HOLDERS OF BONDS (O-Series as on 31.12.2009)

Sr. No.	Name of the Bondholder	Number of Bonds held	% of holding
1	General Insurance Corp. of India	65	11.40%
2	CBI EPF A/c HSBE AMC Ltd.	52	9.12%
3	The New India Assurance Co. Ltd.	25	4.39%
4	ICICI Prudential Life Insurance Co. Ltd.	15	2.63%
5	CBI EPF A/c ICICI Prudential AMC Ltd.	15	2.63%
6	ICICI Prudential Life Insurance Co. Ltd.	10	1.75%
7	SBI Life Insurance Co. Ltd.	10	1.75%
8	BOI PF	10	1.75%
9	United Insurance Co. Ltd.	10	1.75%
10	PNB Employee Pension Fund	10	1.75%
11	PNB Employees PF	10	1.75%
12	The Pearlless General Finance & Investment Co. Ltd.	10	1.75%
Total		242	42.42%

5. PARTICULARS OF DEBT SECURITIES ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION

The Company confirms that other than and to the extent mentioned elsewhere in this Disclosure Document, it has not issued any shares or debt securities or agreed to issue any shares or debt securities for consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

XIII. SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES AND OTHER BORROWINGS

The Company hereby confirms that:

a) The main constituents of the Company's borrowings have been in the form of borrowings from Banks and Financial Institutions, Bonds etc.



b) The Company has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.

c) The Company has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

XIV. UNDERTAKING REGARDING COMMON FORM OF TRANSFER

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document.

XV. MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE

The Company hereby declares that there has been no material event, development or change at the time of issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Company.

XVI. PERMISSIONI CONSENT FROM PRIOR CREDITORS

The Company hereby confirms that it is entitled to raise money through current issue of Bonds without the consent/ permission/ approval from the Bondholders/ Trustees/ Lenders/ other creditors of the Company. The Company will take consent from the existing charge holders for creation of security for the Bonds on pari passu basis. In future, the Trustees shall provide consent to create pari-passu charge subject to Company's complying with the requisite terms of the Bonds issued.

XVII. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material have been entered into by the Company. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Corporate Office of the Company between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

- a. Copy of letter appointing M/s RCMC Share Registry Private Limited as Registrar and Transfer Agent.
- b. Copy of letter appointing IDBI Trusteeship Services Limited, as Trustee to the Bondholders.

B. DOCUMENTS

- a. Memorandum and Articles of Association of the Company as amended from time to time.
- b. Board Resolution dated December 16'2009 authorizing issue of Bonds offered under terms of this Disclosure Document.



- c. Letter of consent from IDBI Trusteeship Services Limited for acting as Trustee for and on behalf of the holder(s) of the Bonds.
- d. Letter of consent dated 05.01.2010 from M/s RCMC Share Registry Private Limited for acting as Registrars to the Issue.
- e. Copy of application made to the NSE for grant of in-principle approval for listing of Bonds.
- f. Letter from NSE conveying its in-principle approval for listing of Bonds.
- g. Letter dated 07.01.2010 from FITCH conveying the credit rating for the Bonds of the Company and the rating rationale pertaining thereto.
- h. Tripartite Agreement between the NHPC, NSDL and M/s RCMC Share Registry Private Limited for issue of Bonds in dematerialised form.
- i. Tripartite Agreement between the NHPC, CDSL and M/s RCMC Share Registry Private Limited for issue of Bonds in dematerialised form.

Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the Bondholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

XVIII. DECLARATION

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008.

The Company also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Company accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to the authority granted by Board of Directors of the Company at their meetings held on 16.12.2009.

for NHPC Ltd.

-sd/-

(R.K. Taneja)

Executive Director (Finance)

Place: Faridabad

Date :11.01.2010



(This is a Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008)

NHPC LIMITED

(A Government of India Enterprise)

Regd. Office: NHPC Office Complex, Sector-33, Faridabad-121003 (Haryana)

Tel: (0129) 2272 803, 2271 378, 2250 437 Fax (0129) 2270902

Website: www.nhpcindia.com

E-mail: companysecretary@nhpc.nic.in, nhpcbondsection@gmail.com

(The Company was incorporated on November 7, 1975 under the Companies Act, 1956 (the “Companies Act”) as a private limited company under the name ‘National Hydroelectric Power Corporation Private Limited’. The word ‘private’ was subsequently deleted on September 18, 1976. Our Company was converted into a public limited company with effect from April 2, 1986. The name of the company was changed to ‘NHPC Limited’ with effect from March 28, 2008.)

DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF 9.25% SECURED NON-CUMULATIVE NON CONVERTIBLE REDEEMABLE TAXABLE BONDS (Q SERIES) IN THE NATURE OF DEBENTURES OF RS. 12.00 LAKHS EACH FOR CASH AT PAR AGGREGATING TO RS 498.00 CRORE WITH GREEN SHOE OPTION OF RS 768.00 CRORE

ISSUE OPENS: MARCH 5TH, 2012

ISSUE CLOSES: MARCH 6TH, 2012

LISTING

The Bonds are proposed to be listed on WDM Segment of National Stock Exchange.

TRUSTEES FOR THE BONDHOLDERS

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai-400 001
Tel No: (022) 4080 7000
Fax No. 91-22-6631 1776
E-mail: itsl@idbitrustee.co.in

REGISTRAR TO THE ISSUE

RCMC Share Registry Pvt. Ltd.
Corporate Office,
Ground Floor, B-106,
Sector-2, Noida-201301,UP
Tel No: (0120) 4015 800
Fax No. 91-120-2444 346
E-mail: shares@rcmdelhi.com

ARRANGERS TO THE ISSUE

Sl. No.	Name of Merchant Banker / Arranger	Sl. No.	Name of Merchant Banker / Arranger
1	Kotak Mahindra Bank Ltd	7	Trust Investment Advisors Pvt Ltd
2	SBI Capital Markets Ltd	8	IDFC Ltd
3	Yes Bank Ltd	9	ICICI Securities Primary Dealership Ltd
4	ICICI Bank Ltd	10	Edelweiss Financial Services
5	A K Capital Services Ltd	11	Darashaw & Co. Pvt Ltd
6	Axis Bank Ltd	12	Deutsche Bank AG



This taxable bond issue is being made on a private placement basis. It is not and should not be deemed to constitute an offer to the public in general. It cannot be accepted by any person other than to whom it has been specifically addressed.

The contents of this Disclosure Document for private placement are not transferrable and are intended to be used by the parties to whom it is distributed. It is not intended for distribution to any other person and should not be copied / reproduced by the recipient for any person whatsoever.

The information contained in this document has certain forward looking statements. Actual result may vary materially from those expressed or implied, depending upon economic conditions, government policies and other factors. Any opinion expressed is given in good faith but is subject to change without notice. No liability is accepted whatsoever for any direct or consequential loss arising from the use of the document.

NHPC does not undertake to update this Disclosure Document for Private Placement to reflect subsequent events and thus it should not be relied upon without first confirming the accuracy of such events with NHPC.



TABLE OF CONTENTS

INDEX	TITLE	PAGE NO.
I.	Definition / abbreviations	4
II.	Authority to the Issue	7
III.	Disclaimers	7
IV.	Name and address of the registered office of the borrower	9
V.	Name and address of the Directors of the issuer	9
VI.	Brief summary of business/ activities of its issuer and its line of business	10
VII.	Brief history of the issuer since incorporation, details of activities include any reorganization, reconstruction or amalgamation, change in capital structure, (authorized, issued and subscribed) and borrowing	28
VIII.	General Information	38
IX.	Credit rating & rationale thereof	39
X.	Details of other borrowings(details of debt securities issued in the past particulars of debt securities issued for consideration other than cash or at a Premium or discount or in pursuance of an option, highest ten holders of each class or kind of securities, debt equity ratio)	40
XI.	Servicing behavior on existing debt securities and other borrowings	57
XII.	Undertaking regarding common form of transfer.	57
XIII.	Material event, development or change at the time of issue.	58
XIV.	Permission/consent from prior creditors.	58
XV.	Material contracts & agreements involving financial obligations of the issuer.	58
XVI.	Stock exchange where securities are proposed to be listed.	59
XVII.	Terms of offer (details of debt securities proposed to be issued, mode of issuance, issue size, utilization of issue proceeds, stock exchanges where securities are proposed to be listed, redemption amount, period of maturity yield on redemption, discount at which offer is made and effective yield for investor).	60
XVIII.	Annexures.	75
XIX.	Declaration.	77



I .Definition / Abbreviations

Issuer Related Terms

Term	Description
Articles of Association or Articles	The articles of association of the Company, as amended from time to time
Auditors	The Joint Statutory Auditors of the Company are 1. M/s S. N. Nanda & Co., New Delhi 2. M/s Baweja & Kaul, Jammu Tawi / New Delhi 3. M/s Singhi & Co., Kolkata 4. M/s Tiwari & Associates, New Delhi
Board or Board of Directors	The Board of Directors of the Company
Directors	The Directors of the Company
Memorandum of Association or Memorandum	The memorandum of association of the Company, as amended from time to time
Promoter	The President of India, acting through the Ministry of Power, Government of India
Registered Office	The registered office of the Company, which, as at the date of this Disclosure Document, is located at NHPC Office Complex, Sector - 33, Faridabad 121 003, Haryana, India

Conventional and General Terms

Term	Description
Act or Companies Act	The Companies Act, 1956
BSE	The Bombay Stock Exchange Limited
CAD	Canadian Dollar
CDSL	Central Depository Services (India) Limited
Crore	10 million
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
EGM	Extraordinary general meeting of the shareholders of our Company
EPS	Earnings per share, i.e., profit after tax for a Fiscal year divided by the weighted average number of equity shares during the Fiscal year
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
GoI	Government of India
HUF	Hindu Undivided Family
JPY	Japanese Yen
LIC	Life Insurance Corporation of India
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding



Term	Description
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
O&M	Operation and Maintenance
PAN	Permanent Account Number allotted under the I.T. Act
PTC	PTC India Limited
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, NCT of Delhi and Haryana
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000
Supreme Court	Supreme Court of India
US\$ or USD or US Dollar	U.S Dollar
w.e.f	With effect from

Technical and Industry-Related Terms

Term	Description
AFC	Annual Fixed Cost
Bonds	9.25% Secured Non-Convertible Non Cumulative Redeemable Taxable Bonds (Q-Series) in the nature of Debentures of Rs 12.00 Lakhs each offered through private placement route under the terms of Disclosure Document
Bondholder / Debenture holder	The holder of bonds
BRRP/BREW	Bihar Rural Road Projects/Bihar Rural Electrification Works
CCEA	Cabinet Committee on Economic Affairs
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPSU	Central Public Sector Undertaking
CWC	Central Water Commission
Design energy	The quantum of energy which could be generated in a 90% dependable year with 95% installed capacity of the generating station
Deemed Date of Allotment	Date as specified in summary Term Sheet
Disclosure Document	Disclosure Document dated March 6, 2012 for Private Placement of 9.25% Secured Non-Convertible Non Cumulative Taxable Redeemable Bonds (Q-Series) in the nature of Debentures of Rs 12.00 Lakhs each for cash at par aggregating to Rs 498.00 Crore with Green Shoe Option of Rs 768.00 Crores
DPE	Department of Public Enterprises
DPR	Detailed Project Report
DRR	Debenture Redemption Reserve



Term	Description
Issuer/NHPC/Corporation /Company	NHPC Ltd.
MoEF	Ministry of Environment and Forest, Government of India
MU	Million Units
MW	Mega Watt
PFC	Power Finance Corporation Limited
PGCIL	Power Grid Corporation of India Limited
PPA	Power Purchase Agreement
REC	Rural Electrification Corporation Limited
Registrar	Registrar to the issue, in this case
RoR	Run-of-the-river
SCADA	Supervisor Control and Data Acquisition
SEB(s)	State Electricity Board(s) and their successor(s), if any, including those formed pursuant to restructuring/unbundling
SERC	State Electricity Regulatory Commission
The issue/The offer/Private Placement	Private Placement of 9.25% Secured Non-Convertible Non Cumulative Taxable Redeemable Bonds (Q-Series) in the nature of Debentures of Rs 12.00 Lakhs each for cash at par aggregating to Rs 498.00 Crore with Green Shoe Option of Rs 768.00 Crores
THDC	Tehri Hydro Development Corporation Limited
Tripartite Agreements	Tripartite Agreements executed among the GoI, RBI and the respective State governments
Unit	1 KWh, i.e. the energy contained in a current of one thousand amperes flowing under an electromotive force of one volt during one hour



II AUTHORITY TO THE ISSUE

The present issue of bonds is being made pursuant to the resolutions passed under Section 293(1)(a) & 293(1)(d) of the Companies Act, 1956 by the Members of the Company where the overall borrowing limit of NHPC was approved at Rs. 26,000 crore w.e.f. 15th September, 2004. It is in line of the resolutions passed by Board of Directors of NHPC in its 338th meeting held on 28.10.2011 & 343rd meeting held on 15.02.2012. The proposed borrowing is within the overall borrowing limits of NHPC.

III DISCLAIMERS

GENERAL DISCLAIMER

The Disclosure Document is neither a Prospectus nor a Statement in lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 issued vide Circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008. This document does not constitute an offer to the public generally or subscribe for or otherwise acquire the bonds to be issued by NHPC Ltd. (the “issuer”/the NHPC/ “the company”) The document is for the exclusive use of institutions to whom it is delivered and it should not be circulated or distributed to the third parties. The Company certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Disclosure Document has not been filed with Securities & Exchange Board of India (SEBI). The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. The issue of Bonds being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this document.

DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has been made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.



DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Disclosure Document has been submitted to the National Stock Exchange of India Ltd. (hereinafter referred to as “NSE”) for hosting the same on its website. It is to be distinctly understood that such submission of the document with NSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer’s securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Company. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER BY THE ARRANGERS

It is advised that the NHPC has exercised self due- diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Arrangers in the assignment is confined to marketing and placement of the bonds on the basis of this Disclosure Document as prescribed by the NHPC. The Arrangers have neither scrutinized/vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Arrangers shall use this document for the purpose of soliciting subscription from the various investors in the bonds to be issued by the NHPC on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved, or vetted by the Arrangers, nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the NHPC. The Arrangers or any of its directors, employees affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this document.



IV. NAME AND ADDRESS OF REGISTERED OFFICE OF THE ISSUER

Name of the issuer	NHPC Limited
Registered office	NHPC Office Complex Sector - 33, Faridabad 121 003 Haryana, India
Telephone Number	+91 129 227 8421/2/3
Fax Number	+91 129 227 8018
Website	www.nhpcindia.com
E-mail	companysecretary@nhpc.nic.in nhpcbondsection@gmail.com

V. NAMES AND ADDRESSES OF THE DIRECTORS OF THE ISSUER

The composition of Board of directors of the company as on 31.01.2012 of this Disclosure Document is as under:

Sl. No.	Name	Designation	Address
1	Mr. A.B.L. Srivastava	Director (Finance) & CMD	C - 301, Stellar Park, C - 58/24, Sector -62, Gautam Budha Nagar, Noida – 201301 (UP)
2	Mr. D.P. Bhargava	Director (Technical)	House No. 176, Sector 30, Faridabad – 121003 (Haryana)
3	Mr. J.K. Sharma	Director (Projects)	House No. 915, Sector 28, Faridabad – 121003 (Haryana)
4	Mr. R.S. Mina	Director (Personnel)	6081/1, Sector D-6, Vasant Kunj, New Delhi – 110070
5	Mr. G. Sai Prasad	Government Nominee Director	House No. B-2, Block-2, 2nd Floor, New Moti Bagh, New Delhi
6	Mr. A. S. Bakshi	Government Nominee Director	WZ-13A, Sant Pura, P.O. Tilak Nagar, New Delhi - 110018
7	Mr. A. Gopalakrishnan	Independent Director	3C, Skyline Topaz, Kaloor Kadavanthra Road, Kochi – 682020
8	Mr. G. S. Vedi	Independent Director	A-287, Vikaspuri, New Delhi – 110018
9	Mr. A. K. Mago	Independent Director	40, Pushpanjali, Vikas Marg Extension, Delhi – 110092
10	Mr. R. Jeyaseelan	Independent Director	C/o Dr. S. Jeyaseelan, House No. 5, Senior Doctors' Residence, Holy Family Hospital, New Delhi - 110025



VI. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS

We are a hydroelectric power generating Mini-Ratna company dedicated to the planning, development and implementation of an integrated and efficient network of hydroelectric projects in India. We execute all aspects of the development of hydroelectric projects, from concept to commissioning.

We have developed and constructed 14 hydroelectric power stations and our current total installed capacity is 5,295 MW. Our current total generating capacity, including those of subsidiaries and taking into account the downgrade of capacity ratings of Tanakpur Power Station is 5,269.2 MW. This total installed capacity and total generating capacity includes two power stations with a combined capacity of 1,520 MW, constructed and operated through our Subsidiary, NHDC. Our power stations and hydroelectric projects are located predominantly in the North and North East of India, in the states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Arunachal Pradesh, Assam, Manipur, Sikkim and West Bengal. Our Company and our Subsidiary generated 18,500.30 MUs and 3,196.65 MUs of electricity, respectively, in Fiscal 2011. In Fiscal 2011, our Company and our Subsidiary sold 16,293.32 MUs and 3188.70 MUs of electricity, respectively.

We are presently engaged in the construction of 10 additional hydroelectric projects, which are expected to increase our total installed capacity by 4,502 MW. We are awaiting government sanction for a further five projects with an anticipated capacity of 5,115 MW. In addition, we are awaiting government sanction for certain joint venture projects with an anticipated capacity of 3,686 MW. Survey and investigation works are being carried out to prepare project proposal reports for seven additional projects, totaling 2,485 MW of anticipated capacity.

We selectively form alliances with state governments to undertake project development. Pursuant to MoU with the government of Madhya Pradesh, we incorporated our Subsidiary on August 1, 2000 to take advantage of the hydroelectric potential of the Narmada river basin. The Company has been actively pursuing business development and has entered into various agreements for expanding its business portfolio. NHPC is keen to harness the hydropower potential in the states through joint venture. The company has been actively pursuing business development and has entered into various arrangements for expanding the business portfolio. Eight projects, totaling 4006 MW of power, are to be implemented as Joint Ventures. A Joint Venture Company, the Loktak Downstream Hydroelectric Corporation Limited, has been incorporated for executing the 66 MW Loktak Downstream Project in Manipur with 74% shareholding by NHPC and 26% by the Government of Manipur. Another Joint Venture Company, Chenab Valley Power Projects (Pvt) Ltd., has been formed in which NHPC, JKSPDC and PTC are partners in 49:49:2 basis for taking up three projects totaling 2,120 MW in the Chenab River basin in Jammu and Kashmir. The Promoters' Agreement for implementation of Tipaimukh HE (Multipurpose) Project (1500 MW) in Manipur has been signed on 22.10.2011 with shareholding of NHPC, SJVNL & Govt. of Manipur being 69%, 26% & 5% respectively. Process of formation of the Joint Venture Company is underway. NHPC has signed one more MOU for a joint venture with OHPC and the Government of Orissa to implement three hydroelectric projects – Sindol I, II & III, with a total



capacity of 320 MW on the Mahanadi River, downstream of the Hirakud Dam in Orissa. The shareholding of the JVC will be 51:49 between NHPC & OHPC.

We have experience in the design, development, construction and operation of hydroelectric projects. We execute and manage all aspects of projects, from front-end engineering design to commissioning and operation and maintenance of the project. We have also been engaged as a project developer for certain projects, where our scope of work is to design, develop and deliver a hydroelectric power station to a client on an agency basis. We also provide contract-based technical, management advisory and consultancy services to domestic and international clients.

Based on our audited financial statements, in Fiscals 2009, 2010 and 2011, we generated total income of Rs. 3,261.49 crores, Rs. 4,812.02 crores and Rs. 4,932.11 crores, respectively, and net profit of Rs. 1,075.22 crores, Rs. 2,090.50 crores and Rs. 2,166.67 crores, respectively. In Fiscal 2011, our average selling price of electricity was Rs. 2.45 per unit. In Fiscal 2011, we derived Rs. 4,046.59 crore or 82.05% of our audited total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements. In Fiscal 2012, based on Unaudited Financial Statements upto 31.12.2011, the total income was Rs. 5,046.26 crores and the net profit for the period was Rs. 1,969.70 crores. In this period, we derived Rs. 4,124.08 crores or 81.73% of our total income from sale of energy.

Our operational efficiency has been reflected through high average capacity indices for our power stations, which are now currently measured by the Plant Availability Factor (PAF). The average capacity indices for our Company for Fiscals 2009, 2010 and 2011 were 93.61%, 84.10% and 85.20% respectively. For Fiscal 2012, the cumulative Plant Availability Factor (PAF) upto 31.12.2011 was 86.6%. These indices are higher than the cumulative capacity index levels, which are required under CERC regulations and our higher efficiency parameters, which pursuant to the tariff policy in place for Fiscal 2009-Fiscal 2014 entitled us to certain incentive payments.

We have obtained BS OHSAS 18001:2007, ISO 9001:2008, ISO 14001:2004 and PAS 99: 2006 certifications from the BSI Management Systems, all of which are valid until July 25, 2014. In recognition of our performance and our consistent achievement of targets as negotiated under the MoUs that we enter into with the GoI on an annual basis, the GoI has rated our performance as “Excellent” from Fiscal 1995 through to Fiscal 2006, “Very Good” in Fiscal 2007, “Excellent” in Fiscal 2008, “Very Good” in Fiscal 2009 & 2010 and “Excellent” in 2011. Also, in recognition of our performance, we were designated as a Mini-Ratna Category-I public sector undertaking in April 2008. As a Mini-Ratna Category-I entity, we will have greater autonomy to undertake new projects without GoI approval, subject to an investment ceiling of Rs. 500 crore set by the GoI.

The President of India, and its nominees, before the Initial Public Offer held 100% of the issued and paid-up Equity Share capital of our Company. After the Issue, the President of India still holds 86.36% of the post-Issue paid-up Equity Share capital of our Company. Under our Articles of Association, the GoI has the power to appoint all of our Directors.



Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Established track record in implementing hydroelectric projects

We have experience in the development and execution of hydroelectric projects. We have managed the development and implementation of 14 hydroelectric projects, including two through our Subsidiary, NHDC. We have completed projects that are located in the geotechnically sensitive Himalayan terrain and in inhospitable areas that are often difficult to access. We completed the Chamera-II and Dhauliganga-I power stations and the Indira Sagar and Omkareshwar projects ahead of schedule. We have worked with the GoI, various state governments, foreign governments and international companies to complete projects. We believe our proven execution capability is a key advantage for securing projects. We also believe that our execution model for projects benefits from our cost control and risk management expertise and that our experience and expertise in project implementation provide us with significant competitive advantages.

Long term power purchase agreements with our customers

Most of the output from our installed capacity is contracted for through long term PPAs. At the time we make investment decisions on new capacity or expansion of existing capacity, we typically have commitments for the purchase of the output.

In Fiscal 2011, we derived Rs. 4,964.99 crore or 83.43% of our consolidated total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements. These billings to state entities are currently secured through letters of credit generally entered into pursuant to tripartite agreements among the GoI, the RBI and respective state governments. In addition, we can secure payment by regulating the power supply to the defaulting entity or recovering payments directly from GoI Central Plan assistance funds that are given to the concerned state governments.

Strong operating performance

We measure our efficiency by reference to our average capacity index (till 2008-09)/ Plant Availability Factor (2009 onwards) and generation targets achieved. In Fiscal 2012 (upto 31.12.2011), our Company (excluding generation from subsidiaries) has achieved actual generation of 16262 MU of electricity and the cumulative Plant Availability Factor (PAF) of 86.6%, which is higher than the cumulative capacity index levels required under CERC regulations and our higher efficiency parameters, which pursuant to the tariff policy in place for Fiscal 2009-Fiscal 2014, entitled us to certain incentive payments. We monitor, renovate and modernise our power stations, which increases the efficiency of our plants and equipment. We believe that our ongoing monitoring and maintenance techniques offer us a competitive advantage in an industry where reliability and maintenance costs are a significant determinant of profitability.



Competent and committed workforce

We have a competent and committed workforce. Our senior executives have experience in our industry and many of them have been with us for a significant portion of their careers. We believe that the skill, industry knowledge and operating experience of our senior executives provide us with a competitive advantage as we seek to expand in our existing markets and successfully enter new geographic areas. We invest significant resources in employee training and development and our uniform operational systems, processes and staff training procedures enable us to replicate our operating standards across all our projects and stations.

Strong in-house design and engineering team

We have an in-house team for project design and our engineering capabilities range from the concept stage to the commissioning of our projects. This team is supported by international and domestic project consultants. Our Company has in-house engineers with expertise in a range of engineering disciplines, particularly hydrology, electrical, civil and structural design, hydro-mechanical and geotechnical design. Our engineers have specialised tunnel design experience and are able to design for variable and unpredictable geological conditions. Our engineers also have experience with a variety of specialised analysis, design and computer aided design software applications.

Our Strategy

Our corporate vision is to become a world class, diversified and transnational organisation dedicated to sustainable development of hydropower and water resources with an environmental conscience. The following are our strategies to achieve this vision:

Expand our installed capacity through Joint Ventures and MoUs

We seek to expand our installed capacity by tapping into new geographic markets where there is significant demand for capacity expansion through hydroelectric generation. Presently we are engaged in the construction of 10 hydroelectric projects in the states of Jammu & Kashmir, Himachal Pradesh, Arunachal Pradesh, Assam and West Bengal, which is expected to increase our total installed capacity by 4,502 MW. We are awaiting government sanction for a further five projects with an anticipated capacity of 5,115 MW. In addition, we are awaiting government sanction for certain joint venture projects with an anticipated capacity of 3,620 MW. Survey and investigation works are being carried out to prepare project proposal reports for seven additional projects, totaling 2,485 MW of anticipated capacity.

Promote and develop our consulting and advisory services

NHPC is providing consultancy services in the following fields of hydro power – river basin services, survey work, design and engineering, geological and geotechnical studies, hydraulic transient studies, hydrological studies, contract management, construction management, equipment planning, underground construction, testing, commissioning and operation and maintenance.



The major consultancy assignments undertaken by NHPC include assignments from Central and State Government agencies like State Electricity Boards and Public Sector Undertakings.

We aim to continue to deliver advisory services to clients and government entities in India and abroad. Our consultancy services are registered with the international financial agencies and the Central Water Commission as a Consultant in the area of hydro power.

Continue to expand our international activities

We intend to continue to expand our international operations and further exploit the potential hydropower opportunities available internationally by leveraging our existing relationships developed through our past international consultancy assignments.

NHPC was entrusted with the work of preparing DPRs of Chamkharchhu-I H.E. Project (670 MW) and the Kuri Gongri H.E. Project (1800 MW) in Bhutan by the Ministry of Power.

In March 2010, an agreement was signed between NHPC and the Department of Energy, Royal Government of Bhutan for providing engineering consultancy services for pre-construction activities at the Mangdechhu H.E. Project (720 MW) in Bhutan.

Further, NHPC has undertaken the additional investigations and preparation of updated DPRs for the 1200 MW Tamanthi and the 642 MW Shwezaye hydro power and multipurpose projects in Myanmar, as a consultancy assignment with the Ministry of External Affairs (MEA), Government of India.

NHPC has also been assigned the work of RMU of Varzob-I H.E. Project under a tripartite agreement signed between MEA, BHEL & NHPC.

Maintain our focus in environmental and corporate social responsibility

We have undertaken a number of environmental and corporate social responsibility initiatives and intend to expand our involvement in these areas. We aim to conduct our business operations in a manner that promotes social responsibility, sustainable development and respect towards the environment.

Invest in technology to modernise our operations and improve our project operating performance

We intend to reduce our operating costs and improve our project-operating performance by investing in technologically advanced equipment and methods and by devoting resources to modernize our power stations.



Our Operations by Segment

Our core business is the generation and sale of hydroelectricity. We also provide contract-based services including technical, management advisory and consultancy services as well as project execution on contract basis. The table below shows our total restated consolidated income by business segment:

Total income by business segment (Standalone)

(Rs. in crore)

Power Station	Fiscal 2012 (Upto 31.12.2011)	Fiscal 2011	Fiscal 2010	Fiscal 2009
Sales (Net)	4124.08	4046.59	4153.21	2671.85
Revenue from Contracts, Project Management and Consultancy Works	86.95	178.66	113.08	48.97
Interest on Power Bonds	77.93	123.88	145.68	167.48
Other Income	757.30	582.98	400.05	373.19
Total	5046.26	4932.11	4812.02	3261.49

Our Hydropower Generation Business

Our core business operations involve the generation and sale of hydroelectricity. Our projects are spread across different stages of development from the early stages of survey and investigation to operation and maintenance.

Our Project Development Process

The GoI and the state government identify the geographic areas where additional electricity is needed by determining existing and projected installed capacity and projected demand for electricity. Factors such as economic growth, population growth and industrial expansion are used to determine projected demand. To gauge the expected supply of electricity, the capacities of the existing power stations and the projects under construction or development are studied. If the GoI and the respective state government agree that a hydroelectric project is necessary and that we are the most appropriate organization to develop the hydroelectric project, we then enter into an MoU or agreement with the concerned state government where the hydroelectric project is proposed to be located. We then begin the process of obtaining the necessary authorisations for the hydroelectric project from the concerned authorities. We are required to fulfill a three-stage clearance process for hydroelectric projects as introduced by the GoI in June 2001. This process consists of:

Stage-I: Preparation of Pre-Feasibility Report/Feasibility Report

The Stage-I estimate is initially reviewed by the CEA and approved by the MoP. Environmental clearance for the pre-construction activities and approval of the terms of reference for undertaking the EIA studies is then obtained from the MoEF. Survey and investigation activities



are subsequently carried out in order to prepare a pre-feasibility report, which sets out essential geological, hydrological, meteorological and topographical observations. The report contains technical details, justification of the scheme and preliminary financial details of the project. The CEA then reviews the report and makes a determination about the commercial viability of the project.

Stage-II: Preparation of Detailed Project Report and Infrastructure Development Works

Following the approval of the Stage-I estimate by the MoP and the commercial viability clearance from the CEA we carry out extensive survey and investigation works in order to prepare a DPR. The DPR is examined in detail by various agencies, including the Geological Survey of India, the Central Water Commission, the Ministry of Water Resources and the Ministry of Defense. During this stage EIA reports are also prepared and submitted to the requisite state government to enable them to conduct a public hearing and consult with local communities to negotiate a suitable rehabilitation and resettlement package, if required. At this stage the environmental impact report and forest land requirement report are also submitted to the MoEF for clearance. The CEA reviews the DPR and the various clearances obtained from the abovementioned agencies and, if satisfied, the CEA concurrence is granted to the hydroelectric project.

Stage-III: Final sanction and project construction

Post the CEA approval, and after obtaining a recommendation from the PIB, GoI, the hydroelectric project proposal is presented to the CCEA for its final sanction. It is only after receiving the sanction of the CCEA that major works related to construction of the project are awarded and construction can begin at the project site.

Completed Projects

We have set forth below the details of all our completed projects, including joint venture project:
(Rs. in crore)

Power Station	State	Installed Capacity (MW)	Year of Commissioning	Revenue Generated in Fiscal 2011 from Sale of Power (Rs. In crore)
Baira Siul	Himachal Pradesh	180	1981	104.11
Loktak	Manipur	105	1983	96.52
Salal	Jammu & Kashmir	690	1987/1996	279.84
Tanakpur (1)	Uttarakhand	120	1992	91.12
Chamera I	Himachal Pradesh	540	1994	368.77
Uri I	Jammu & Kashmir	480	1997	515.79
Rangit	Sikkim	60	1999	110.33
Chamera II	Himachal Pradesh	300	2004	385.03
Dhauliganga I	Uttarakhand	280	2005	311.62



Power Station	State	Installed Capacity (MW)	Year of Commissioning	Revenue Generated in Fiscal 2011 from Sale of Power (Rs. In crore)
Dulhasti	Jammu & Kashmir	390	2007	1062.05
Teesta V	Sikkim	510	2008	537.75
Sewa II	Jammu & Kashmir	120	2010	183.66
Total		3,775		4046.59
Completed Projects with NHDC				
Indira Sagar	Madhya Pradesh	1,000	2005	588.39
Omkareshwar	Madhya Pradesh	520	2007	330.01
Total		1,520		918.40
Grand Total		5,295		4964.99

Note:

- (1) Derating of 94.2 MW from September 1996 vide CEA letter no. DMLF/PS/9/7/96-Vol IV/3530-85

Projects under construction

We have set forth below the details of all our hydroelectric projects, which are currently under construction:

Hydroelectric Projects	State	Proposed Installed Capacity (MW)	Project Cost-CCEA approved (Rs. in crore)
Teesta Low Dam III	West Bengal	132	768.92
Uri II	Jammu & Kashmir	240	1,724.79
Chamera III	Himachal Pradesh	231	1,405.63
Teesta Low Dam IV	West Bengal	160	1,061.38
Nimoo Bazgo	Jammu & Kashmir	45	611.01
Parbati III	Himachal Pradesh	520	2,304.56
Parbati II	Himachal Pradesh	800	3,919.59
Chutak	Jammu & Kashmir	44	621.26
Subansiri Lower	Assam/Arunachal Pradesh	2,000	6,285.33
Kishanganga	Jammu & Kashmir	330	3,642.04
Total		4,502	22,344.51



Projects Awaiting Clearances

The hydroelectric projects including our joint venture projects detailed below are awaiting final sanction from the CCEA:

Projects	State	Proposed Installed Capacity (MW)
Kotli Bhel Stage IA(1)	Uttarakhand	195
Dibang(2)	Arunachal Pradesh	3,000
Teesta IV	Sikkim	520
Tawang I	Arunachal Pradesh	600
Tawang II	Arunachal Pradesh	800
Total (A)		5,115
Joint Venture Projects		
Loktak Downstream	Manipur	66
Pakal Dul and other hydroelectric projects in the Chenab River Basin(3)	Jammu & Kashmir	2,120
Tapaimukh	Manipur	1,500
Total (B)		3,686
Grand Total (A + B)		8,801

- 1) MOEF vide letter dated 13.10.2011 accorded Stage I Forest Clearance. CEA has extended the validity of concurrence till 02.10.2012. Material for PIB is under preparation.
- 2) The forest proposal of Dibang Multipurpose Project has been submitted by State Govt. to MoEF for forest clearance. NHPC had created a Task Force for facilitating the conductance of public hearing at the earliest.
- 3) Supreme Court, vide its order dated 06.02.2010, has granted permission for implementation of Pakal Dul H. E Project subject to compliance of conditions imposed by the National Board of Wild Life (NBWL) and Central Empowered Committee (CEC).

Projects under Survey and Investigation

The following hydroelectric projects are under survey and investigation for preparation of a DPR:



Project	State	Proposed Capacity (MW)	Installed
Karmoli Lumti Tulli	Uttarakhand	55	
Garba Tawaghat	Uttarakhand	630	
Chungar Chal	Uttarakhand	240	
Lachen	Sikkim	210	
Bursar	Jammu & Kashmir	1,020	
Dhauliganga Intermediate*	Uttarakhand	210	
Goriganga IIIA*	Uttarakhand	120	
Total		2,485	

*: Implementation Agreement between NHPC and Govt. of Uttarakhand for two projects namely Dhauliganga Intermediate (210 MW) and Goriganga IIIA (120 MW) in Uttarakhand is under process.

Contracts, Project Management and Consultancy Works Business

We believe that our industry leadership as well as quality credentials puts us in a strong position to offer a wide range of consultancy services in the field of hydropower. Our consultancy services division was set up in 1993 to offer consulting and contractual services to meet requirements for different project types.

We aim to continue to deliver advisory services to clients and government entities in India and abroad. Our consultancy services are registered with the international financial agencies and the Central Water Commission as a Consultant in the area of hydro power.

Our clients include central and state government agencies in India including SEBs and PSUs, as well as a number of foreign governments and private sector entities. From a marketing perspective, consultancy contracts also allow us to establish a relationship with potential future clients and, in the case of project feasibility studies, to become involved at an early stage in turnkey projects for which we may later submit bids.

Consulting/Advisory Services for Hydropower Projects

NHPC is providing consultancy services in the following fields of hydro power – river basin services, survey work, design and engineering, geological and geotechnical studies, hydraulic transient studies, hydrological studies, contract management, construction management, equipment planning, underground construction, testing, commissioning and operation and maintenance.

We also provide specialist consultancy services in relation to tidal, wind and geothermal power projects, training and human resource operations, and IT and communications.



We have completed 84 consulting assignments and as at December 31, 2011 we have 18 ongoing consulting assignments.

Turnkey Agency Contracts

We have undertaken certain international agency contracts under the direction of GoI. These projects are undertaken in the spirit of cooperation with foreign governments and also to broaden our international experience. The status of various turnkey agency projects undertaken by our consultancy services division is set out below:

Project	Country/State/Union Territory	Installed/ Proposed Total Capacity (MW)	Status
Devighat	Nepal	14.10	Commissioned
Kurichhu	Bhutan	60.00	Commissioned
Kalpong	India (Andaman & Nicobar Islands)	5.25	Commissioned
Sippi	India (Arunachal Pradesh)	4.00	Commissioned
Kambang	India (Arunachal Pradesh)	6.00	Commissioned
Total		89.35	

Further, we commissioned and handed over the Sippi Small Hydroelectric turnkey agency project to the Department of Hydropower Development of the Government of Arunachal Pradesh on August 23, 2008.

Specialized Government Agency Works

We act as an agency for the implementation of rural road development and rural electrification programs in India. These projects are usually undertaken on the request of the GoI for social welfare and development purposes. We earn fixed agency fees from these projects, as determined mutually by GoI and our Company.

Specialized government agency works we undertake include:

Client	Services Rendered
REC Limited	<p>We implement rural electrification works under the Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) in various states in India for fixed agency fees of 9-12% on the cost of the project. We have been allocated 27 districts in five states of West Bengal, Bihar, Jammu & Kashmir, Chhatisgarh and Odisha at an estimated cost of Rs. 2900 crores.</p> <p>The scope of work includes electrification of 29241 villages (9310 unelectrified / de-electrified (UE/DE) and 19931 partially electrified (PE) villages) and providing service connections to 20.37 lakhs BPL households. NHPC is also executing 66 KV transmission line in the Leh and Kargil districts of Jammu and Kashmir under RGGVY.</p> <p>During 2011-12, NHPC has electrified 285 UE/DE villages and provided connections to 0.92 lakh BPL households.</p>



Client	Services Rendered
	As on 31.12.2011, the cumulative achievements for UE/DE villages, PE villages and BPL connections was 8917, 15842 and 17.2 lakhs respectively with a cost of Rs. 1864.10 crores.
Ministry of Rural Development, GoI	NHPC has signed a MOU with the Ministry of Rural Development, Government of India and the Government of Bihar for constructing rural roads under the Pradhan Mantri Gram Sadak Yojna (PMGSY). These roads in six districts of Bihar will also be maintained by NHPC. Under this scheme, 763 roads of 3248.18 km with a cost of Rs. 1767 crore have been cleared by Ministry of Rural Development, GoI. As on 31.12.2011, 504 roads of 2135.77 km (full length) with a cost of Rs. 1138.68 crores have so far been completed.

Construction of Hydropower Projects

Design and engineering

The engineering and design of a hydroelectric project requires input from a number of specialist engineering disciplines, particularly, civil and hydro-mechanical design, geological and geotechnical and electrical and mechanical design.

Civil and hydromechanical design

This aspect of the project includes:

Developing detailed site plans, including the civil works layouts.

Reviewing hydrological data available and supervising field investigations and hydrological studies.

Assessing the impact of soil erosion and sediment on the proposed hydroelectric projects.

Geological and geotechnical engineering

The geotechnical engineering process involves the collection of sufficient qualitative and quantitative geological, geotechnical and construction material information to determine basic design parameters for the major civil structures of the project.

Electrical and mechanical design

This involves assessing the electrical and mechanical needs of the project and includes:

Evolving optimised designs for electromechanical works of projects under planning and execution.

Providing technical data and cost estimates on electrical and mechanical equipment.

Preparing operation and maintenance manuals for electromechanical works.



Contract and construction management

Our role as contract and construction manager is to organise and supervise the construction of the project. We determine the number of contracts that are awarded per project after reviewing the size and capacity of the project. In general, one or two contracts for civil works, one contract for the hydromechanical components and one contract for the electromechanical components of each project are awarded.

Operation and maintenance

Once the power station is commissioned and becomes fully operational the operation and maintenance division is responsible for the orderly running of the project. This division maintains a database of generation parameters for statistical review and analysis that can be used to optimise generation along with reducing downtime of equipment. This division also analyses data to forecast problems and advises on remedial measures.

Automation of stations

Presently, the operations of all the power stations are either semi or fully automated. Our Uri, Chamera II, Dhauliganga and Dulhasti power stations are equipped with advanced distributed control systems along with SCADA systems. We are presently implementing SCADA in the Baira Siul, Loktak, Tanakpur, Rangit and Chamera I power stations. SCADA allows for better monitoring and control of the power station.

Sale of Energy

Tariffs

Tariffs for each of our hydropower stations are determined by the CERC. A new tariff policy was issued by CERC pursuant to notification no. L-7/145(160)/2008-CERC dated January 19, 2009, and relates to the Control Period (CP) from April 1, 2009 to March 31, 2014.

Tariffs are determined by reference to AFC, which comprise primary energy charges and capacity charges and is determined by return on equity, depreciation, interest on loan, interest on working capital and operation and maintenance expenses. Recovery of capacity charges is dependent on the actual utilisation of our machines for generating power. Capacity is determined by reference to the NAPAF, which has been prescribed for each project based on the nature of the project.

We are entitled to receive incentives for achieving a plant availability factor greater than NAPAF as well as for generating energy in excess of the design energy level of the plant. This is in contrast to the tariff regimen in place for Control Period 2005 – 2009 in which additional energy charges were recovered when declared capacity levels were exceeded.



Power Purchase Agreements

The GoI allocates the output of each of our stations among the station's customers. Each of our power stations has PPAs with its customers. In Fiscal 2011, we derived Rs. 4964.99 crores or 83.43% of our consolidated total income from the sale of energy to SEBs and their successor entities, pursuant to long-term power purchase agreements. Under the terms of the PPAs, we are obliged to supply electricity to SEBs or their successor entities, private distribution companies and other GoI entities in accordance with the terms of the allocation issued by the GoI from time to time as required by the tariff policy issued by CERC. The PPA is valid until it is extended, renewed or replaced by another agreement on such terms and for such further period of time as the parties agree.

The MoUs signed with respective state governments pursuant to the PPAs require us to provide 12.0% of the energy that we generate to the respective state or its utilities or electricity boards, termed as 'bulk power customers', free of cost. As per the guidelines of MoP, GOI, we are not permitted to offer this contracted capacity to any third person for the duration of such MoUs.

The term of validity of the PPA is generally for five years from the date of the commercial operation of the last unit of the project, provided that such PPAs may be renewed or replaced on such terms and for such further time as the parties may agree. However, the provisions of a PPA continue to operate until such PPA is formally renewed or replaced.

The tariffs charged and the conditions for the supply of energy, as well as the levy of surcharge and rebates are determined according to the tariff notifications issued by the CERC or policies of GoI from time to time. Further, settlement of any disputed current dues is determined according to the directives of the CERC or the GoI as issued from time to time.

The parties to a PPA are not liable for any claim for loss or damage arising out of failure to carry out the terms of such PPA to the extent that such failure is due to events such as riot, strike, lock out, fire, explosion, flood, drought, earthquake, war or other forces, accidents or force majeure events and are beyond the control of either party. Any party claiming the benefits of this provision holds the burden of proving that the event occurred and damage was suffered.

All questions or disputes between parties in connection with a PPA, except the extent of power vested with the respective RPC(s), are settled through arbitration in accordance with the provisions contained in the Electricity Act, 2003 and the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto, in the event such differences cannot be settled through conciliation prior to arbitration.

Recoveries through the One-Time Settlement Scheme (“One Time Settlement”)

NHPC has previously had problems recovering payments from SEBs and other state government entities; however, in 2001, the MoP, and the state entities established a scheme of One Time Settlement. Pursuant to the One Time Settlement, the GoI, on behalf of the central sector power utilities, executed Tripartite Agreements with the RBI and the state governments to effectuate a settlement of overdue payments, by way of tax-free power bonds, owed to NHPC by the SEBs or



their successor entities or other state government entities with provisions for incentives for future timely payment.

Under these agreements, the overdue amounts outstanding as of September 30, 2001 were securitised by the issue of tax-free power bonds and long term advances amounting to Rs. 2,818.04 crore against outstanding principal dues, late payment surcharge, and conversion of bonds issued by the SEBs after March 1, 1998. Tax free interest on the power bonds and long-term advances are payable to NHPC at a rate of 8.5% p.a payable on half yearly basis. These bonds mature and the long-term advances are payable in various stages, starting from October 1, 2006 until April 1, 2016.

Research and Development

Research and development is key to our continued success in engineering and construction. Our research and development activities are focused on anticipating our future needs and those of our agency clients and making us more competitive. We also seek to implement the latest technological advances and developments at our project sites. Our research and development activities are concentrated primarily on studies for elongation of operating life of underwater components, such as turbines, by mitigating silt erosion.

Clean Development Mechanism

We are in the process of securing benefits from our hydropower projects under the clean development mechanism (“CDM”) scheme pursuant to the United Nations Framework Convention on Climate Change of 1994. Under this scheme, an industrialised country that wishes to get credits from a CDM project must obtain the consent of the developing country hosting the project to claim such credit and confirm that the project will contribute to sustainable development. Then, using methodologies approved by the CDM Executive Board, the applicant must make the case that the carbon project would not have happened absent such benefits, and must establish a baseline estimating the future emissions in the absence of the registered project. The case is then validated by a third party agency, called a Designated Operational Entity, to ensure the project results in real, measurable, and long-term emission reductions.

Hydropower projects registered by the CDM Executive Board are eligible to earn certified emission reduction (“CER”) credits. CER credits can be sold to industrialised countries that are required to meet their green house gas emission reduction targets under the terms of the Kyoto Protocol Treaty of 2005.

Nimoo Bazgo (3X15 MW) and Chutak (4X11 MW) Projects located in Jammu & Kashmir state have been registered by the CDM Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). The Nimoo Bazgo and Chutak projects shall annually reduce emissions of approximately 187,893 metric tonne CO₂ equivalent and 166,831 metric tonne CO₂ equivalent after their commissioning respectively.



However, CDM Registration of these projects is being revised under the new methodology which is expected to be suitably fit in these projects, to incorporate the change in connectivity of these projects from National Grid to Local Isolated Grid.

NHPC's Teesta-V Power Station has been successfully validated under the Voluntary Emission Reduction Scheme. Verification of the generation for the period from April 2008 to Septemebr 2009 has been completed. Registration of project under VCS registry and issuing of VER from VCS registry is under process. Approximately 2 Crores VER is expected to be issued within a period of 10 years. Crediting period shall be renewed for another 10 years.

We are pursuing CDM registration for additional projects and are investigating other carbon trading initiatives for our projects, such as voluntary emission reduction.

IT and Communications

We make use of information and communication technologies for the execution and management of our projects and power stations. We consider information technology to be a strategic tool for us to improve our overall productivity and efficiency.

Software

Our electromechanical design division has developed a suite of software, Jal Vidyut, for in-house use in connection with power potential assessment, preliminary power house sizing and speed and pressure rise computations. DPRs for several projects have been successfully submitted to the CEA for TEC using data computed by the software. This suite of software was developed in an effort to standardise engineering practice in our organisation. We intend to continue to refine this software to increase its utility to our engineering team.

Insurance

We rely upon insurance coverage obtained by our contractors to insure damage and loss to our hydroelectric projects during the construction phase. Our contractors take third-party insurance in respect of risks associated with our assets and infrastructure that are ancillary to our stations during the construction phase.

We insure the risks associated with damage due to fire, storm, cyclone, flood, earthquake, landslide and terrorist activities to our power stations once they have been commissioned and are operating. We have obtained "Mega Risk Insurance Policy", "Comprehensive Package Insurance for CPM Equipments" & "Third Party Insurance" Policies in respect of all O&M Power Station w.e.f. 31.07.11.

Human Resources

Our Company had 11,082 employees as of 31.12.2011. Of this, 5,071 employees were engaged in operation and maintenance areas of our business. We believe that a well-trained and experienced team of employees is crucial to our continued growth and success. In this regard, we



are committed to recruiting and retaining the best talent in the industry, providing them the best training and development facilities and remunerating our employees at levels that will encourage them to perform to their best capability.

Employee Training and Development

We encourage our employees to develop management and technology skills through internal programs, industry affiliations and external certifications. The training and development needs of our staff are assessed on a regular basis. We have a comprehensive training policy for the development of our employees.

Unions

The majority of our workers are affiliated with worker unions. We believe that we have harmonious relationships with our worker unions. Most of our generating stations have unions that are registered under the Trade Union Act, 1926. Most of these unions are affiliated with one of the following - All India NHPC Employees' & Workers' Council, All India Workers' & Employees' Federation, NHPC Karamchhari Mahasangh and NHPC Employees' Front. We have previously had instances of sporadic and localised protests. These have not led to any substantial generation loss. Wage negotiations with our unions is ongoing process and a new wage agreement has been entered into with respect to unionised employees.

Environmental Compliance

We are committed to developing hydropower in a technologically efficient, environmentally benign and socially responsible manner. We seek, wherever possible, to minimise the impact of hydropower projects on the local population, forestry, flora, fauna, and places of national historical, religious, spiritual and archaeological interest.

We undertake the following activities in order to realise our environmental and social objectives:

- environmental impact assessment studies;
- catchment area treatment to arrest soil erosion;
- compensatory afforestation to replace forest areas lost to project construction;
- green belt development and reservoir rim treatment;
- landscaping and restoration of dumping, quarrying and construction areas;
- solid waste management;
- wildlife conservation;
- fishery management and conservation;
- land acquisition, resettlement and rehabilitation for the project-affected people in accordance with the Land Acquisition Act, 1894, the National Resettlement and Rehabilitation Policy, 2007 and our Resettlement and Rehabilitation Policy, 2007;
- post-construction environmental and social impact evaluation;
- disaster management;
- health management; and
- rejuvenation of dumping and quarry sites.



The ISO 14001 certification of our environmental management systems issued by the Bureau Veritas Certification (India) Private Limited demonstrates the international recognition of our commitment to sustainable development.

Corporate Social Responsibility and Rehabilitation and Resettlement

We are committed to our Corporate Social Responsibility (“CSR”) efforts and strive to demonstrate environmentally as well as ethically conscious behaviour. We seek to incorporate best practices in corporate governance, employee welfare, and environmental commitment, and have taken various initiatives towards community development. In our endeavour to align our business operations with social values, we have sanctioned a budget for various large-scale community empowerment and capacity building initiatives to be undertaken in and around our power stations and construction sites pursuant to provisions made in the DPRs.

Our resettlement and rehabilitation program aims to improve the economic status of people displaced or otherwise affected adversely by our projects. We are committed to safeguarding the interests of PAPs through implementation of our Rehabilitation and Resettlement Policy, 2007, (“R&R Policy”) which is based on the National Resettlement and Rehabilitation Policy, 2007 (“NRRP”) of the GoI.

Our R&R Policy aims to provide PAPs with an adequate rehabilitation package beyond monetary compensation. This includes active and transparent participation of PAPs in deciding their compensation packages, compensation for those who do not have a legal or recognised right over the land on which they depend for subsistence, continuity in livelihood options after resettlement, quantification of costs and benefits that will accrue to society (as to the desirability and justifiability of each project), expeditious implementation of the rehabilitation process and special care for vulnerable sections of society.

Recent initiatives towards socio-economic development in connection with our power stations and projects, including initiatives under our R&R Policy for the benefit of PAPs, include the following:

- construction, widening and maintenance of roads and bridges;
- afforestation, catchment area treatment, and fisheries management;
- development of irrigational facilities, water supply, and drainage facilities;
- creation of botanic parks and biodiversity conservatories;
- rural electrification works;
- organisation of educational, career guidance and vocational training programs, awareness programmes on horticultural and agricultural practices, healthcare programs and promotion of sports and culture;
- organisation of health checkup camps, vaccination and immunisation works, free distribution of medicines; and
- on occasion, our Company has assisted in reconstruction of flood-affected villages



Competition

As of December 31, 2011, total installed capacity of hydroelectric projects in India was approximately 38,748 MW. Our Company, with an installed capacity of 3749.20 MW, represents approximately 9.68% of the capacity share. Combined with NHDC's installed capacity of 1,520 MW, we represent a capacity share of approximately 13.60%. In Fiscal 2012 (upto 31.12.2011), our Company generated 16262 MUs of electricity, respectively. Some of the other players in this industry are Bhakra Beas Management Board ("BBMB"), generation companies of the various states of India, such as, MAHAGENCO, Andhra Pradesh Generation Company ("APGENCO"), Satluj Jal Vidyut Nigam Limited, which is a joint venture between the GoI, the government of Himachal Pradesh and Tehri Hydro Development Corporation Limited ("THDC"), which is a joint venture between the GoI and the government of Uttar Pradesh, along with other private players. Due to the historical imbalance between demand and supply in the Indian power sector, there has generally been a stable market for power generation companies in India. However, the Electricity Act, 2003, removes licensing requirements for thermal generators, provides for open access to transmission and distribution networks and removes restrictions on the right to build captive generation stations. These reforms provide opportunities for increased private sector involvement in power generation. Specifically, the open access reforms, by which generators will be able to sell their output directly to distribution companies and, ultimately, directly to consumers, may increase the financial viability of private investment in power generation.

While under the Electricity Act, 2003, CEA approval and consent of relevant state government is required to set up a hydropower project, the increased opportunities for private investment in the market described above, when combined with available hydro potential in India and the resulting low costs of production, may lead to increased investment in and competition in the hydroelectric sector in the future.

VII. BRIEF HISTORY OF THE ISSUER SINCE INCORPORATION, DETAILS OF ACTIVITIES INCLUDE ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGE IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWING

HISTORY AND BACKGROUND

Our Company was incorporated on November 7, 1975 under the Companies Act as a private limited company under the name 'National Hydro Electric Power Corporation Private Limited'. The word 'private' was subsequently deleted on September 18, 1976. Our Company was converted to a public limited company w.e.f. April 2, 1986. Pursuant to a shareholders resolution dated March 13, 2008, the name of our Company was changed to its present name 'NHPC Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the RoC, National Capital Territory of Delhi and Haryana, on March 28, 2008.



Changes in our Registered Office

The table below encapsulates changes in registered office of our Company.

Date of resolution	Change in the address of our Registered Office
August 13, 1976	CSMR Building, Near IIT Hostel, Hauz Khas, New Delhi, India
December 29, 1976	'Manjusha', 57, Nehru Place, New Delhi, India
November 9, 1982	'Hemkunt Tower', 98, Nehru Place, New Delhi, India
June 17, 1994*	'NHPC Office Complex', Sector - 33, Faridabad, Haryana, India

**Pursuant to a special resolution passed at an extraordinary general meeting of shareholders on June 17, 1994 and the order of the Company Law Board, Northern Region, dated January 25, 1995 (Company petition number 322/17/94-CLB) and the certificate issued by the RoC, the registered office of our Company was shifted from New Delhi to the state of Haryana.*

Major Events

Financial Year	Event
1975 – 76	Incorporation of our Company
1976 – 77	Transfer of the Loktak hydroelectric project (105 MW) from GoI to our Company
1977 – 78	Transfer of the Baira Siul hydroelectric project (180 MW) from GoI to our Company
1982 - 83	Baira Siul power station (180 MW) in Himachal Pradesh commissioned
1983 – 84	All units of Devighat power station in Nepal commissioned ahead of schedule
	Loktak power station (105 MW) in Manipur commissioned
1985 – 86	Hydro Power Training Institute set up at the Baira Siul hydroelectric project to train operators and supervisory staff
1986 – 87	First issue of 14% 7 years, redeemable secured non convertible bonds amounting to Rs. 143.64 crore
	Nuwakot Rural Electrification project in Nepal completed ahead of schedule
1987 – 88	Establishment of a satellite telecommunication network taken up to link various projects of our Company
1989 – 90	GoI upgraded our Company from a Schedule 'B' to a Schedule 'A' corporation
1992 – 93	A consultancy wing set up to provide a range of specialised services in the investigation, design, construction and operation of hydel projects
	Tanakpur power station (120 MW) in Uttarakhand commissioned
1994 – 95	Awarded the lining work of Jawahar Tunnel in Jammu & Kashmir
	Our Company declared its maiden dividend of Rs. 5 crore for the year ending March 31, 1994
	Our Company's registered office started operating from its present building in Faridabad
Chamera I power station (540 MW) in Himachal Pradesh commissioned	
1995 – 96	Agreement signed for execution of Kurichhu hydroelectric project (45 MW) in Bhutan
1997 – 98	Uri power station (480 MW) in Jammu & Kashmir commissioned
1999 – 2000	Rangit power station (60 MW) in Sikkim commissioned
2000 – 01	Three units of 45 MW Kurichhu power station in Bhutan commissioned by our Company ahead of schedule
	Our Company and the government of Madhya Pradesh entered into an MoU to exploit the hydro electric potential of the Narmada basin by completing the Indira Sagar and Omkareshwar projects
	Our Company and the government of Jammu & Kashmir entered into an MoU to exploit the power potential of the state



Financial Year	Event
2002 – 03	A line of credit for a tenor of 19 years taken from LIC for an amount of Rs. 2,500 crore Our Company was accorded 'AAA' credit rating for domestic borrowing and 'BB' credit rating at par with sovereign rating of international borrowings by Fitch Ratings
2003 – 04	Chamera- II power station (300 MW) in Himachal Pradesh commissioned
2004 – 05	Indira Sagar hydroelectric project (1,000 MW) of NHDC, a joint venture of our Company and the government of Madhya Pradesh in Madhya Pradesh commissioned
2005-06	ERP initiated under the name Project Kiran
2006 – 07	Our Company entered into an agreement with Government of Bhutan for preparation of DPR of Mangdechhu project (672 MW) in Bhutan
2007 – 08	The name of our Company changed to its present name NHPC Limited
	Dulhasti power station (390 MW) commissioned
	Teesta-V power station (510 MW) commissioned
	Omkareshwar hydroelectric project (520 MW) of NHDC, a joint venture of our Company and the government of Madhya Pradesh, commissioned
	Our Company entered into an MoA with the government of Arunachal Pradesh to execute the Dibang multipurpose hydroelectric project
2008 – 09	Our Company entered into an MoU with the government of Manipur to exploit the hydro electric potential of the tailrace discharge of Loktak Downstream Hydroelectric Project
	Our Company conferred Mini Ratna Category I status by the GoI
	Our Company entered into an MoU with the government of Jammu & Kashmir, JKSPDC and PTC to incorporate a joint venture develop the Pakal Dul and other hydro projects in the Chenab River Basin
2009-10	Incorporation of joint venture company, National Power Exchange Limited, along with NTPC, PFC and Tata Consultancy Services Limited
	Incorporation of a joint venture company, National High Power Test Laboratory Private Limited, along with NTPC, Power Grid Corporation of India Limited and Damodar Valley Corporation.
2010-11	Joint Venture between Govt. of Manipur & NHPC registered for execution of Loktak Downstream Project (66 MW), Manipur
2010-11	120 MW Sewa-II Project dedicated to nation on 29 th September
2011-12	Our Company entered into an MoU with the government of Orissa and OHPC to incorporate a joint venture (shareholding 51:49) to implement three hydroelectric projects –SINDOL I,II &III with a total capacity of 320 MW

Awards and Recognitions

We have received the following awards and recognitions for achieving and maintaining high standards in various aspects of our business.

Year	Award/Recognition
2005	Solar Energy Society of India Business Leadership Award for Hydropower for the year 2004
2006	Enterprise Excellence Award (Certificate of Merit) by the Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2004-05
	Golden Peacock Award to Chamera Power Station I for Environment Management for the year 2006 by the World Environment Foundation
2007	Annual Greentech Environment Excellence Silver Award in Hydropower Sector by Greentech Foundation, New Delhi for Environment Management in Hydropower stations/projects for the Dhauliganga Power Station for the year 2006
	Golden Peacock Award to Region II, Banikhet by World Environment Foundation, New Delhi for Excellence in Environment Management for the year 2007



Year	Award/Recognition
	Water Digest Award for Best Water Management – PSU by Water Digest Private Limited for 2006-07
	Srishti G- Cube Awards for Good Green Governance for the year 2005-06
	Annual Greentech Environment Excellence Silver Award in Hydropower Sector by Greentech Foundation, New Delhi for Environment Management in Hydropower stations/projects for Region II, Banikhet for the year 2006
	Meritorious Award by SCOPE for Corporate Social Responsibility and Responsiveness for the year 2005-06
	Power HR Forum Award for Best Practices as a Corporate Citizen for the year 2005-06
	Amity Award for Best Corporate Social Responsibility Practices for the year 2007
	Performance Excellence Award (Certificate of Excellence) by Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2005-06
2008	B.M.L. Munjal Award for Excellence in Learning and Development for the year 2007
	Golden Peacock Award to Chamera Power Station I for Occupational Health and Safety for the year 2008 by the World Environment Foundation
	Performance Excellence Award (Certificate of Merit) by the Indian Institution of Industrial Engineering for Financial and Operational Strength for the year 2006-07
	Special Jury Award at Asia Pacific Human Resource Management Congress for Innovative Human Resources Practices for 2007-08
	Greentech Environment Excellence Award (Silver Award) 2008 awarded to Tanakpur Power Station by the Greentech Foundation, New Delhi
	Water Digest award for Best Water Management-PSU for 2007-08
	SCOPE Meritorious Award for Best Practices in Human Resource Management for 2006-07
2009	TERI Corporate Environmental Award 2009
	Performance Excellence Award by the Indian Institution of Industrial Engineering
	Gold Medal for Outstanding Contribution in Enhancing the Image of India by the Institute of Economic Development
	Amity Award for Best Corporate Social Responsibility for 2008
	2 nd Prize in the ‘Office Buildings Sector’ under the National Energy Conservation Awards for 2009 at New Delhi.
	‘Jury Award’ from Council of Power Utilities in association with KW Conferences during India Power Awards 2009 for ‘Large Scale Implementation of Hydro Projects over the years’.
2010	Green Tech Environmental Excellence Award
	Silver Medal for Excellence in Display under the Ministries and Departments Pavilion Category conferred to Ministry of Power (MOP) Pavilion at India International Trade Fair (IITF) 2010
	Life Time Achievement Award conferred to Shri S. K. Garg, CMD, NHPC for achieving excellence in Productivity, Quality, Innovation & Management
	India Power Award 2010 by Council of Power Utilities for “Social and Community Impact” in recognition of NHPC’s outstanding work under CSR.
	Rajbhasha Shield awarded to NHPC for outstanding work in implementation of Rajbhasha amongst Power Sector Utilities by Minister of Power as First Prize for 2008-09 and Second Prize for 2009-10
	FE-EVI Award Green Business Leadership Award in Power Category for Best Performance in green initiatives towards climate change by the Financial Express
	“Amity HR Excellence Award for Leadership through Transformation Practices conferred to Shri S. K. Garg, CMD, NHPC
	First Prize by the Department of Official languages, Ministry of Home Affairs, Government of India, for the year 2008-09 under Indira Gandhi Rajbhasha Award Programme for outstanding work in implementing Rajbhasha among PSUs located in Region “A”
	Life Time Achievement Award conferred to Shri S. K. Garg, CMD, NHPC in the area of



Year	Award/Recognition
	Management and Administration.
	III E Enterprise Excellence Award for 2008-09 – Silver Shield
	9 th Annual Greentech Safety Award 2010 – Gold Category Hydro Sector awarded to Tanakpur Power Station by Grrentech Foundation for best practices in the area of Fire & Safety at Power Station
2011	First Prize under Ministry of Power’s NTPC Shield Yojana for outstanding work in implementing Rajbhasha amongst Power Sector Utilities for the year 2010-11.
	“Prashansa Patra” award conferred to NHPC at “NSCI Safety Awards – 2010”
	PSE Excellence Awards 2011 in Miniratna and other category for Best Human Resource Management
	Indira Gandhi Rajbhasha Award – NHPC First Prize for outstanding work in implementation of Rajbhasha by Ministry of Home Affairs, Government of India, for the year 2009-10.
	Adjudged Top Indian Company under power sector at the Dun & Bradstreet-Rolta Corporate Awards for its contribution to Indian economy.
	CIDC Vishwakarma Award 2011 under the category Social Responsibility
	Gentle Giants Awards under the Non-Manufacturing-Mini Ratna category by the Dalal Street Investment Journal

CAPITAL STRUCTURE (as on 31st December 2011)

(Rs in Crores)

Particulars	Amount
1. SHARE CAPITAL	
Authorised:15000000000 Equity Shares of Rs 10/- each	15000.00
Issued, Subscribed and Paid up: 12300742773 Equity Shares of Rs 10 each fully paid up (Out of above 62952960 Shares of Rs 10/- each have been allotted for consideration other than cash pursuant to agreement with Government of India)	12300.74
2. SHARE PREMIUM	2868.74

Paid Up Capital after the Issue

The issue is done through private placement of Bonds which would not have any impact on the Paid-Up Capital of the Company.

Promoter’s Contribution

There is no contribution from the promoters in the Bond Issue.

Group Companies Reservation

There is no reservation for group companies in the Bond Issue.

Share Capital History of our Company:

All allotments of Equity Shares are to the President of India acting through MoP, against funds released by the GoI. The following is the history of the Equity Share capital of our Company:

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
August 13, 1976	3,283	1,000	1,000	Cash	Nil	3,283	32,83,000	0.33
December 29, 1976	1,950	1,000	1,000	Cash	Nil	5,233	19,50,000	0.52
April 28, 1977	2	1,000	1,000	Cash	Nil	5,235	2,000	0.52
September 3, 1977	40,000	1,000	1,000	Cash	Nil	45,235	4,00,00,000	4.52
February 28, 1978	6,29,529	1,000	1,000	Other than cash	Nil	6,74,764	62,95,29,000	67.48
February 28, 1978	60,700	1,000	1,000	Cash	Nil	7,35,464	6,07,00,000	73.55
September 18, 1978	73,298	1,000	1,000	Cash	Nil	8,08,762	7,32,98,000	80.88
February 2, 1979	25,000	1,000	1,000	Cash	Nil	8,33,762	2,50,00,000	83.38
August 6, 1980	1	1,000	1,000	Cash (Rs. 400) Other than cash (Rs. 600)	Nil	8,33,763	1,000	83.38
March 31, 1981	1,46,150	1,000	1,000	Cash	Nil	9,79,913	14,61,50,000	97.99
December 21, 1981	15,000	1,000	1,000	Cash	Nil	9,94,913	1,50,00,000	99.49
March 27, 1982	33,300	1,000	1,000	Cash	Nil	10,28,213	3,33,00,000	102.82
June 14, 1982	35,000	1,000	1,000	Cash	Nil	10,63,213	3,50,00,000	106.32
September 02, 1982	36,000	1,000	1,000	Cash	Nil	10,99,213	3,60,00,000	109.92
December 14, 1982	1,24,000	1,000	1,000	Cash	Nil	12,23,213	12,40,00,000	122.32
February 23, 1983	15,000	1,000	1,000	Cash	Nil	12,38,213	1,50,00,000	123.82
March 26, 1983	60,000	1,000	1,000	Cash	Nil	12,98,213	6,00,00,000	129.82
June 6, 1983	32,900	1,000	1,000	Cash	Nil	13,31,113	3,29,00,000	133.11
September 5, 1983	61,859	1,000	1,000	Cash	Nil	13,92,972	6,18,59,000	139.30
December 16, 1983	48,550	1,000	1,000	Cash	Nil	14,41,522	4,85,50,000	144.15
March 5, 1984	2,14,541	1,000	1,000	Cash	Nil	16,56,063	21,45,41,000	165.61
May 14, 1984	1,39,579	1,000	1,000	Cash	Nil	17,95,642	13,95,79,000	179.56
January 8, 1985	4,27,459	1,000	1,000	Cash	Nil	22,23,101	42,74,59,000	222.31
June 21, 1985	11,75,665	1,000	1,000	Cash	Nil	33,98,766	1,17,56,65,000	339.88
November 18, 1985	4,72,500	1,000	1,000	Cash	Nil	38,71,266	47,25,00,000	387.12
February 24, 1986	4,20,000	1,000	1,000	Cash	Nil	42,91,266	42,00,00,000	429.13
June 6, 1986	8,03,546	1,000	1,000	Cash	Nil	50,94,812	80,35,46,000	509.48
December 26, 1986	3,05,000	1,000	1,000	Cash	Nil	53,99,812	30,50,00,000	539.98
March 31, 1987	10,000	1,000	1,000	Cash	Nil	54,09,812	1,00,00,000	540.98

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
April 29, 1987	3,31,200	1,000	1,000	Cash	Nil	57,41,012	33,12,00,000	574.10
November 25, 1987	11,26,681	1,000	1,000	Cash	Nil	68,67,693	1,12,66,81,000	686.77
March 9, 1988	1,57,700	1,000	1,000	Cash	Nil	70,25,393	15,77,00,000	702.54
May 4, 1988	1,62,258	1,000	1,000	Cash	Nil	71,87,651	16,22,58,000	718.77
August 17, 1988	4,75,000	1,000	1,000	Cash	Nil	76,62,651	47,50,00,000	766.27
December 28, 1988	2,49,500	1,000	1,000	Cash	Nil	79,12,151	24,95,00,000	791.22
March 27, 1989	65,789	1,000	1,000	Cash	Nil	79,77,940	6,57,89,000	797.80
December 28, 1989	5,09,700	1,000	1,000	Cash	Nil	84,87,640	50,97,00,000	848.76
April 2, 1990	1,04,800	1,000	1,000	Cash	Nil	85,92,440	10,48,00,000	859.24
July 16, 1990	41,50,400	1,000	1,000	Cash	Nil	1,27,42,840	4,15,04,00,000	1,274.28
August 30, 1990	2,50,000	1,000	1,000	Cash	Nil	1,29,92,840	25,00,00,000	1,299.28
October 29, 1990 and November 5, 1990	8,20,000	1,000	1,000	Cash	Nil	1,38,12,840	82,00,00,000	1,381.28
January 24, 1991	19,45,000	1,000	1,000	Cash	Nil	1,57,57,840	1,94,50,00,000	1,575.78
February 26, 1991	4,35,200	1,000	1,000	Cash	Nil	1,61,93,040	43,52,00,000	1,619.30
May 13, 1991	9,26,300	1,000	1,000	Cash	Nil	1,71,19,340	92,63,00,000	1,711.93
July 17, 1991	6,40,000	1,000	1,000	Cash	Nil	1,77,59,340	64,00,00,000	1,775.93
August 9, 1991	2,15,000	1,000	1,000	Cash	Nil	1,79,74,340	21,50,00,000	1,797.43
November 27, 1991	7,11,800	1,000	1,000	Cash	Nil	1,86,86,140	71,18,00,000	1,868.61
December 24, 1991	5,38,000	1,000	1,000	Cash	Nil	1,92,24,140	53,80,00,000	1,922.41
June 19, 1992	11,87,200	1,000	1,000	Cash	Nil	2,04,11,340	1,18,72,00,000	2,041.13
August 5, 1992	3,90,000	1,000	1,000	Cash	Nil	2,08,01,340	39,00,00,000	2,080.13
October 9, 1992	6,05,000	1,000	1,000	Cash	Nil	2,14,06,340	60,50,00,000	2,140.63
November 27, 1992	3,70,000	1,000	1,000	Cash	Nil	2,17,76,340	37,00,00,000	2,177.63
January 27, 1993	7,76,000	1,000	1,000	Cash	Nil	2,25,52,340	77,60,00,000	2,255.23
July 2, 1993	9,58,500	1,000	1,000	Cash	Nil	2,35,10,840	95,85,00,000	2,351.08
September 2, 1993	5,60,000	1,000	1,000	Cash	Nil	2,40,70,840	56,00,00,000	2,407.08
November 25, 1993	9,20,000	1,000	1,000	Cash	Nil	2,49,90,840	92,00,00,000	2,499.08
June 15, 1996	(20,56,461)*	1,000	1,000	-	-	2,29,34,379	- 2,05,64,61,000	2,293.44
June 15, 1996	20,58,600	1,000	1,000	Cash	Nil	2,49,92,979	2,05,86,00,000	2,499.30
July 25, 1997	(2,38,832)*	1,000	1,000	-	Nil	2,47,54,147	-23,88,32,000	2,475.41

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
July 25,1997	13,91,800	1,000	1,000	Cash	Nil	2,61,45,947	1,39,18,00,000	2,614.59
September 23,1997	5,11,000	1,000	1,000	Cash	Nil	2,66,56,947	51,10,00,000	2,665.69
November 1,1997	15,70,000	1,000	1,000	Cash	Nil	2,82,26,947	1,57,00,00,000	2,822.69
December 5,1997	5,00,000	1,000	1,000	Cash	Nil	2,87,26,947	50,00,00,000	2,872.69
February 21,1998	9,60,000	1,000	1,000	Cash	Nil	2,96,86,947	96,00,00,000	2,968.69
July 22,1998	10,65,000	1,000	1,000	Cash	Nil	3,07,51,947	1,06,50,00,000	3,075.19
September 18,1998	6,40,000	1,000	1,000	Cash	Nil	3,13,91,947	64,00,00,000	3,139.19
October 17,1998	3,30,000	1,000	1,000	Cash	Nil	3,17,21,947	33,00,00,000	3,172.19
November 13/19, 1998	50,000	1,000	1,000	Cash	Nil	3,17,71,947	5,00,00,000	3,177.19
January 4, 1999	5,44,200	1,000	1,000	Cash	Nil	3,23,16,147	54,42,00,000	3,231.61
January 29, 1999	50,000	1,000	1,000	Cash	Nil	3,23,66,147	5,00,00,000	3,236.61
March 19, 1999	10,09,800	1,000	1,000	Cash	Nil	3,33,75,947	1,00,98,00,000	3,337.59
April 28, 1999	6,06,400	1,000	1,000	Cash	Nil	3,39,82,347	60,64,00,000	3,398.23
July 31, 1999	8,42,600	1,000	1,000	Cash	Nil	3,48,24,947	84,26,00,000	3,482.49
July 31, 1999	6,30,000	1,000	1,000	Cash	Nil	3,54,54,947	63,00,00,000	3,545.49
August 27, 1999	13,14,600	1,000	1,000	Cash	Nil	3,67,69,547	1,31,46,00,000	3,676.95
September 24,1999	60,000	1,000	1,000	Cash	Nil	3,68,29,547	6,00,00,000	3,682.95
October 25,1999	20,000	1,000	1,000	Cash	Nil	3,68,49,547	2,00,00,000	3,684.95
November 30,1999	5,20,000	1,000	1,000	Cash	Nil	3,73,69,547	52,00,00,000	3,736.95
January 18,2000	4,70,000	1,000	1,000	Cash	Nil	3,78,39,547	47,00,00,000	3,783.95
February 3,2000	9,22,100	1,000	1,000	Cash	Nil	3,87,61,647	92,21,00,000	3,876.16
March 10,2000	8,90,000	1,000	1,000	Cash	Nil	3,96,51,647	89,00,00,000	3,965.16
March 30,2000	3,20,800	1,000	1,000	Cash	Nil	3,99,72,447	32,08,00,000	3,997.24
April 26,2000	2,32,500	1,000	1,000	Cash	Nil	4,02,04,947	23,25,00,000	4,020.49
July 20,2000	11,78,300	1,000	1,000	Cash	Nil	4,13,83,247	1,17,83,00,000	4,138.32
August 25, 2000	14,00,000	1,000	1,000	Cash	Nil	4,27,83,247	1,40,00,00,000	4,278.32
September 27, 2000	6,91,800	1,000	1,000	Cash	Nil	4,34,75,047	69,18,00,000	4,347.50
October 24, 2000	12,39,100	1,000	1,000	Cash	Nil	4,47,14,147	1,23,91,00,000	4,471.41
March 8, 2001	14,30,800	1,000	1,000	Cash	Nil	4,61,44,947	1,43,08,00,000	4,614.49
April 30, 2001	14,80,000	1,000	1,000	Cash	Nil	4,76,24,947	1,48,00,00,000	4,762.49
June 20,	29,11,500	1,000	1,000	Cash	Nil	5,05,36,447	2,91,15,00,000	5,053.64

Disclosure Documents
Private & Confidential-not for circulation



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
2001							0	
September 7, 2001	9,46,400	1,000	1,000	Cash	Nil	5,14,82,847	94,64,00,000	5,148.28
November 26, 2001	14,47,700	1,000	1,000	Cash	Nil	5,29,30,547	1,44,77,00,000	5,293.05
April 30, 2002	62,67,700	1,000	1,000	Cash	Nil	5,91,98,247	6,26,77,00,000	5,919.82
July 24, 2002	6,35,100	1,000	1,000	Cash	Nil	5,98,33,347	63,51,00,000	5,983.33
August 22, 2002	10,18,400	1,000	1,000	Cash	Nil	6,08,51,747	1,01,84,00,000	6,085.17
October 21, 2002	18,57,500	1,000	1,000	Cash	Nil	6,27,09,247	1,85,75,00,000	6,270.92
December 23, 2002	21,69,300	1,000	1,000	Cash	Nil	6,48,78,547	2,16,93,00,000	6,487.85
February 26, 2003	20,55,350	1,000	1,000	Cash	Nil	6,69,33,897	2,05,53,50,000	6,693.39
April 28, 2003	12,13,700	1,000	1,000	Cash	Nil	6,81,47,597	1,21,37,00,000	6,814.76
June 11, 2003	10,66,200	1,000	1,000	Cash	Nil	6,92,13,797	1,06,62,00,000	6,921.38
July 28, 2003	14,40,000	1,000	1,000	Cash	Nil	7,06,53,797	1,44,00,00,000	7,065.38
September 30, 2003	21,22,100	1,000	1,000	Cash	Nil	7,27,75,897	2,12,21,00,000	7,277.59
December 18, 2003	22,38,500	1,000	1,000	Cash	Nil	7,50,14,397	2,23,85,00,000	7,501.44
January 27, 2004	27,41,900	1,000	1,000	Cash	Nil	7,77,56,297	2,74,19,00,000	7,775.63
April 28, 2004	42,75,500	1,000	1,000	Cash	Nil	8,20,31,797	4,27,55,00,000	8,203.18
July 30, 2004	23,69,400	1,000	1,000	Cash	Nil	8,44,01,197	2,36,94,00,000	8,440.12
September 15, 2004	30,58,700	1,000	1,000	Cash	Nil	8,74,59,897	3,05,87,00,000	8,745.99
October 30, 2004	23,54,200	1,000	1,000	Cash	Nil	8,98,14,097	2,35,42,00,000	8,981.41
December 30, 2004	18,71,200	1,000	1,000	Cash	Nil	9,16,85,297	1,87,12,00,000	9,168.53
March 24, 2005	25,70,900	1,000	1,000	Cash	Nil	9,42,56,197	2,57,09,00,000	9,425.62
April 21, 2005	15,88,900	1,000	1,000	Cash	Nil	9,58,45,097	1,58,89,00,000	9,584.51
July 22, 2005	9,94,300	1,000	1,000	Cash	Nil	9,68,39,397	99,43,00,000	9,683.94
September 30, 2005	18,59,300	1,000	1,000	Cash	Nil	9,86,98,697	1,85,93,00,000	9,869.87
September 30, 2005	83,323	1,000	1,000	Cash	Nil	9,87,82,020	8,33,23,000	9,878.20
November 23, 2005	10,46,900	1,000	1,000	Cash	Nil	9,98,28,920	1,04,69,00,000	9,982.89
December 29, 2005	17,57,100	1,000	1,000	Cash	Nil	10,15,86,020	1,75,71,00,000	10,158.60
March 24, 2006	5,66,800	1,000	1,000	Cash	Nil	10,21,52,820	56,68,00,000	10,215.28
April 20, 2006	2,03,800	1,000	1,000	Cash	Nil	10,23,56,620	20,38,00,000	10,235.67
July 21, 2006	11,36,800	1,000	1,000	Cash	Nil	10,34,93,420	1,13,68,00,000	10,349.34
September 6, 2006	15,11,200	1,000	1,000	Cash	Nil	10,50,04,620	1,51,12,00,000	10,500.46



Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative Share Premium (Rs in Crores)	Cumulative No. of Equity Shares	Equity Share Capital (Rs.)	Cumulative Equity Share Capital (Rs. in crore)
February 7, 2007	24,56,200	1,000	1,000	Cash	Nil	10,74,60,820	2,45,62,00,000	10,746.08
March 13, 2007	13,54,600	1,000	1,000	Cash	Nil	10,88,15,420	1,35,46,00,000	10,881.54
March 13, 2007	The equity shares of Rs. 1,000 each were split into Equity Shares of the face value of Rs. 10 each.							
March 26, 2007	31,66,70,500	10	10	Cash	Nil	11,19,82,12,500	3,16,67,05,000	11,198.21
May 26, 2007	(2,45,50,000)**	10	10	-	-	11,17,36,62,500	(24,55,00,000)	11,173.66
March 13, 2008	88,30,930	10	10	Cash	Nil	11,18,24,93,430	8,83,09,300	11,182.49
August 26, 2009	1118249343	10	36	Cash	2868.74***	12300742773	11182493430	12300.74

* Reduction of share capital on account of transfer of transmission assets to Power Grid Corporation of India Limited.

**Reduction of share capital on account of closure of Koel Karo hydroelectric project in the state of Jharkhand.

*** Adjustment of Share issue expenses of Rs 38.71 crores as per the provisions of Section 78 of the Companies Act, 1956.

SHAREHOLDING PATTERN (as on 03.02.2011)

S. No.	Category	Holding
1.	President of India	86.363631%
2.	Resident Individuals	6.596722%
3.	Bodies Corporates	2.027174%
4.	Mutual Funds	1.291441%
5.	Foreign Institutional Investors	1.273104%
6.	Insurance Companies	0.802966%
7.	Banks	0.642601%
8.	Indian Financial Institution	0.464959%
9.	HUF	0.334873%
10.	Non- Resident Indian	0.140963%
11.	Clearing Members	0.041186%
12.	Trusts	0.020351%
13.	Foreign Nationals	0.000023%
14.	Overseas Corporate Bodies	0.000001%
	Total	100.000%



BORROWINGS

The Company raises debt from Domestic as well as International Markets in both Rupees and foreign currencies. Traditionally, a significant of external funding was in the foreign currency loans from multilateral agencies which were guaranteed by Government of India. In recent years, the company increased reliance on domestic borrowings in Rupees in the form of Loan , Line of Credits and bonds. The company has both secured and unsecured borrowings. Secured borrowings account for over 73.10% of total borrowings as on January 31, 2012 and mainly comprise Line of Credit with LIC, Term Loans from PFC and Non Convertible Bonds. The details of borrowings is furnished below:

Debt Outstanding (as on 31st January 2012)

(Rs in Crores)

A. Loan Funds Secured	
Bonds	2399.00
Term Loans from Banks/FIs-Indian Currency	9397.34
B. Loans Funds Unsecured	
Foreign Currency Borrowings guaranteed by Government of India	2968.12
Loans from Government of India	1372.89
Short Term loans from Banks/ FIs	NIL
Total	16137.35

VIII. GENERAL INFORMATION

Compliance Officer

Vijay Gupta

Company Secretary

NHPC Office Complex

Sector - 33, Faridabad 121 003

Haryana, India

Tel: +91 129 227 8421

Fax: +91 129 227 8018

E-mail: companysecretary@nhpc.nic.in, nhpcbondsection@gmail.com

Registrars & Transfer Agent

M/s RCMC Share Registry Pvt. Ltd.,

Ground Floor, B-106, Sector-2, Noida-201 301 (UP)

Tel: 0120 – 4015 800, 4015 882

Fax: 0120 – 2444 346

Email: shares@rcmcdelhi.com, rakesh@rcmcdelhi.com



Debenture Trustees

IDBI Trusteeship Services Limited,
17, Asian Building Ground Floor, R. Kamani Marg,
Ballard Estate, Mumbai – 400 001
Tel: 022 – 4080 7000
Fax: 022 – 6631 1776
Email: itsl@idbitrustee.co.in

Banker to the Issue

State Bank of India
CAG Branch
12th Floor, Jawahar Vyapar Bhawan,
1, Tolstoy Marg, New Delhi – 110 001

Arrangers to the Issue

Sl. No.	Name of Merchant Banker / Arranger	Sl. No.	Name of Merchant Banker / Arranger
1	Kotak Mahindra Bank Ltd	7	Trust Investment Advisors Pvt Ltd
2	SBI Capital Markets Ltd	8	IDFC Ltd
3	Yes Bank Ltd	9	ICICI Securities Primary Dealership Ltd
4	ICICI Bank	10	Edelweiss Financial Services
5	A K Capital Services Ltd	11	Darashaw & Co. Pvt Ltd
6	Axis Bank Ltd	12	Deutsche Bank AG

IX. CREDIT RATING & RATIONALE THEREOF

Fitch Ratings India Pvt. Ltd. vide letter dated September 07, 2011 has assigned "Fitch AAA (ind)(exp)" rating to the Bonds being issued under the current placement. This rating indicates highest safety with regard to timely payment of interest and principal on the instrument. A copy of the letter dated September 07, 2011 from Fitch Ratings India Pvt. Ltd. is enclosed elsewhere in this Disclosure Document.

CARE Ratings vide letter dated September 07, 2011 has assigned "CARE AAA [Triple A] rating to the Bonds being issued under the current placement. This rating indicates highest safety with regard to timely servicing of financial obligations. A copy of the letter dated September 07, 2011 from CARE Ratings is enclosed elsewhere in this Disclosure Document.

ICRA Ltd vide letter dated September 07, 2011 has assigned "[ICRA] AAA" (pronounced as ICRA Triple A) rating to the Bonds being issued under the current placement. This rating indicates highest safety with regard to timely servicing of financial obligations. A copy of the letter dated September 07, 2011 from ICRA Ltd is enclosed elsewhere in this Disclosure Document.



Other than the credit ratings mentioned hereinabove, the Company has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

X. DETAILS OF OTHER BORROWINGS (DETAILS DEBT SECURITIES ISSUED IN THE PAST, PARTICULARS OF DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH OR AT A PREMIUM OR DISCOUNT OR IN PURSUANCE OF AN OPTION, HIGHEST TEN HOLDERS OF EACH CLASS OR KIND OF SECURITIES, DEBT EQUITY RATIO)

1. DETAILS OF BORROWINGS (Rs. Crore) (as on 31st January 2012)

A. Foreign Currency Borrowings of our Company:

Set forth below is a brief summary of our significant outstanding foreign currency borrowings of Rs. 2,968.12 crore as of January 31, 2012, together with a brief description of certain significant terms, of such financing arrangements. All our foreign currency borrowings have been sanctioned to us in foreign currencies, however the same have been accounted for in Indian Rupees. All our foreign currency loans are guaranteed by the President of India.

S. No.	Name of Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) p.a.	Repayment Terms
1.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 1,389 crore vide a loan agreement dated March 31, 2004 for implementation of the Dhauliganga hydroelectric project	794.33	1.30	Repayment in 41 half yearly instalments from March 20, 2014
2.	Through a consortium of: Deutsche Bank AG, Tokyo ¹ ; HSBC Limited, Tokyo; ING Bank NV,	Term loan of Japanese Yen 1,824 crore vide a loan agreement dated October 18, 2002 for the implementation of the Teesta V project	841.80	0.57 over JPY six month LIBOR	Repayment in 20 half yearly instalments from April 18, 2009



S. No.	Name of Lender(s)	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) p.a.	Repayment Terms
	Tokyo; Societe Generale, Tokyo; Standard Chartered Bank, Tokyo; and State Bank of India, Tokyo.				
3.	Export Development Corporation, Canada ²	Term loan up to CAD 17.50 crore vide a loan agreement dated November 4, 1999 for the construction of the Chamera II power station	268.80	6.01	Repayment in 24 half yearly instalments from September 15, 2004
4.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 1,631.6 crore vide a loan agreement dated December 12, 1997 for the construction of the Dhauliganga II hydroelectric project	839.33	2.30	Repayment in 41 half yearly instalments from December 20, 2007
5.	Japan Bank for International Cooperation*	Term loan of Japanese Yen 566.5 crore vide a loan agreement dated January 25, 1996 for implementation of the Dhauliganga hydroelectric project	223.86	2.30	Repayment in 41 half yearly instalments from January 20, 2006

*The loan was taken from Overseas Economic Cooperation Fund, Japan. The name of the bank was subsequently changed to Japan Bank for International Cooperation. Further, as of October 1, 2008, the overseas international cooperation operations of the Japan Bank for International Cooperation was realigned and succeeded by the Japan International Cooperation Agency.

** The outstanding amounts have been calculated in Indian Rupees based on the exchange rates of the respective foreign currencies as on May 31, 2009. For details on exchange rates, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page x.

¹ If the GoI ceases to maintain its shareholdings in or ownership or control (direct or indirect) in the Company without the prior written consent of the lender the same would be considered as an event of default.



² No advance shall be made by the Export Development Corporation in respect of goods supplied to our Company from a country other than Canada or in respect of any non-Canadian services without the Export Development Corporation's prior consent.

B. Bonds Issued by our Company:

Set forth below is a brief summary of our outstanding bonds as on January 31, 2012 together with a brief description of certain significant terms of such financing arrangements.

The Company has issued secured non-convertible taxable bonds (O-Series) of a face value of Rs. 10 crore each, aggregating Rs. 570 crore on private placement basis by an information memorandum dated March 27, 2003, which were subsequently listed on the NSE. The current amount outstanding as of January 31, 2012 is Rs. 399.00 crore.

The Company has also issued 9.00% 15 Year Secured Non-Cumulative Non-convertible Redeemable taxable bonds (in the nature of debentures) (P-Series) on one on one basis to LIC of a face value of Rs. 10 lakh each, aggregating Rs. 2000 crore by an information memorandum dated January 11, 2010, which were subsequently listed on the NSE. The current amount outstanding as of January 31, 2012 is Rs. 2000.00 crore.

The terms of the O-Series & P-Series Bonds are as follows:

S. No.	Name of the Trustee	Nature of Bonds	Amount Outstanding (in Rs. crore)	Interest / Coupon Rate (p.a.)	Security	Redemption
1	Axis Bank Limited ¹	Secured redeemable non-convertible taxable bonds of the face value of Rs. 10 crore	399.00	7.70	A first <i>pari passu</i> mortgage over property situated at unit no 204-K, Keshava, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 A first <i>pari passu</i> mortgage and charge over all the immovable properties and movable plant and machinery of the Uri hydroelectric project	The secured non-convertible taxable Bonds are issued in 10 separately transferable redeemable principal parts each having a face value 1/10 th of original face value of Rs. 10,00,00,000 with yearly redemption date starting from March 31, 2009 until March 31, 2018
2	IDBI Trusteeship Services	Secured redeemable non-	2000.00	9.00	A first <i>pari passu</i> mortgage over property situated at	In 10 equal instalments starting from February 1,



Limited (ITSL)	convertible taxable bonds of the face value of Rs. 10 lakh			Flat no. 724, MIG, Block no. P-3, Asian Games Village Complex, New Delhi A first <i>pari passu</i> mortgage and charge over all the immovable properties and movable plant and machinery of the Parbati-II & Chamera-III hydroelectric project & Dhauliganga Power Station	2016 until February 1, 2025
----------------	--	--	--	---	-----------------------------

¹Formerly, UTI Bank Limited. The beneficial owners of the bonds/trustees shall have a right to appoint and remove nominee(s) on our Board, at any time during the currency of the secured non-convertible taxable bonds.

C. Secured Medium Term Loans availed of by our Company:

Set forth below is a brief summary of our Company's significant outstanding secured medium term borrowings of Rs. 2701.80 crore as of January 31, 2012 together with a brief description of certain significant terms, of such financing arrangements.

S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
1.	Indian Bank**	Term loan of Rs. 100 crore vide a term loan agreement dated October 4, 2006	100.00	10.16	Repayable in three yearly instalments from February 27, 2012	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) Chamera-I power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
2.	State Bank of Patiala	Term loan of Rs. 40 crore vide a term loan agreement dated January 9, 2002 and amended vide an agreement dated July 3, 2006	20.00	8.36	Repayable in 20 half yearly instalments of Rs. 2 crore each from July 9, 2007	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Chamera-I power station
3.	Oriental Bank of Commerce	Term loan of Rs. 100 crore vide a term loan agreement dated August 25, 2005	90.00	7.207	Repayable in 10 yearly instalments of Rs.10 crore each from December 27, 2011	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Uri power station
4.	Syndicate Bank	Term loan of Rs. 183 crore vide a composite hypothecation agreement dated February 23, 2005	109.80	7.207	Repayable in 10 yearly instalments of Rs. 18.30 crore from February 23, 2008	Charge on fixed assets (except book debts and stores) of the Uri power station
5.	Oriental Bank of Commerce	Term loan of Rs. 200 crore vide a term loan agreement dated February 23, 2005	120.00	7.207	Repayable in 10 yearly instalments of Rs. 20 crore each from March 31, 2008	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Uri power station
6.	Canara Bank	Term loan of Rs. 200 crore vide a term loan agreement dated November 10, 2004	100.00	6.86	Repayable in ten yearly instalments of Rs. 20 crore from November 9, 2007	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) on the Uri power station



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
7.	Canara Bank	Term loan of Rs. 85 crore vide a term loan agreement dated March 25, 2004	17.00	6.75	Repayable in five yearly instalments of Rs.17 crore each from January 30, 2009	<i>Pari passu</i> charge on the fixed assets (except book debts and stores) of the Chamera-I power station
8.	Canara Bank	Term loan of Rs. 50 crore vide a term loan agreement dated June 27, 2002	10.00	12.75	Repayable in four yearly instalments of Rs.10 crore from June 28, 2009	Exclusive charge on all the fixed and moveable assets (except book debts and stores) of the Loktak power station
9.	Indian Overseas Bank	Term loan of Rs. 200 crore vide a term loan agreement dated January 13, 2012	150.00	10.75	Repayable in 48 equal quarterly installments of Rs. 3.125 crore each from January 16, 2015	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Salal power station, Sewa-II Power Station, Uri-II HE Project, TLDP-IV HE Project, Nimmo-Bazgo HE Project & Chutak HE Project .Security creation under process.



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
10	Indian Bank	Term loan of Rs. 75 crore, vide a term loan agreement dated September 29, 2009	75.00	11.75	Bullet repayment after 5 th Year	<i>Pari passu</i> charge over all the fixed assets (except book debts and stores) of the Loktak power station & Bairasiul Power Station
11	Uco Bank	Term loan of Rs. 1000 crore, vide a term loan agreement dated December 30, 2009	1000.00	11.35	Repayable in 24 half yearly instalments of Rs. 41.67 crore each from December 31, 2012	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.
12	Canara Bank	Term loan of Rs. 200 crore vide a term loan agreement dated January 13, 2012	150.00	10.75	Repayable in 48 equal quarterly installments of Rs. 3.125 crore each from January 16, 2015	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Salal power station, Sewa-II Power Station, Uri-II HE Project, TLDP-IV HE Project, Nimmo-Bazgo HE Project & Chutak HE Project . Security creation under process.



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
13	Corporation Bank	Term loan of Rs. 500 crore vide a term loan agreement dated January 05, 2012	500.00	10.65	Repayable in 48 equal quarterly installments of Rs. 10.417 crore each from January 6, 2015	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Salal power station, Sewa-II Power Station, Uri-II HE Project, TLDP-IV HE Project, Nimmo-Bazgo HE Project & Chutak HE Project. Security creation under process.
14	Punjab & Sind Bank	Term loan of Rs. 200 crore vide a term loan agreement dated January 16, 2012	150.00	10.75	Repayable in 48 equal quarterly installments of Rs. 3.125 crore each from January 17, 2015	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Salal power station, Sewa-II Power Station, Uri-II HE Project, TLDP-IV HE Project, Nimmo-Bazgo HE Project & Chutak HE Project. Security creation under process.



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest Rate (%) (p.a.)	Repayment Terms	Security
15	Indusind Bank	Term loan of Rs. 100 crore vide a term loan agreement dated January 23, 2012	100.00	10.75	Repayable in 48 equal quarterly installments of Rs. 2.083 crore each from January 24, 2015	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Salal power station, Sewa-II Power Station, Uri-II HE Project, TLDP-IV HE Project, Nimmo-Bazgo HE Project & Chutak HE Project. Security creation under process.

**The loan was converted into a secured loan vide an agreement dated October 4, 2006.



D. Secured Long Term Loans availed of by our Company:

Set forth below is a brief summary of our Company's outstanding secured long term borrowings of Rs. 6705.54 crore as of January 31, 2012 together with a brief description of certain significant terms, of such financing arrangements.

S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
1.	PFC ¹	Loan of Rs. 186 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the Teesta V project	120.90	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly.	Repayment on 40 equal quarterly instalments beginning on October 15, 2008	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.
2.	PFC ¹	Loan of Rs. 750 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the ongoing Teesta Low Dam Stage IV hydroelectric project	712.50	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment on 40 equal quarterly instalments beginning on October 15, 2011	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
3.	PFC ¹	Loan of Rs. 70 crore vide a Memorandum of Agreement dated March 24, 2008 for the execution of the Chutak hydroelectric project	66.50	Yield on three years AAA corporate bond plus 50 bps with reset every three years payable monthly.	Repayment on 40 equal quarterly instalments beginning on October 15, 2011	First charge on <i>pari passu</i> basis by way of hypothecation of the movable assets of the Dulhasti power station.
4.	PFC ¹	Loan of Rs. 500 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the ongoing Teesta Low Dam Project Stage III hydroelectric project	387.50	Yield on three years AAANBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on January 15, 2010	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – Stage I



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
5.	PFC ¹	Loan of Rs. 413 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the ongoing Sewa II hydroelectric project	299.41	Yield on three years AAAINBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on July 15, 2009	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – I



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
6.	PFC ¹	Loan of Rs. 2,087 crore vide a Memorandum of Agreement dated September 17, 2007 for the execution and implementation of the Parbati Stage II hydroelectric project. Loan Foreclosed on June 30, 2011 amount availed Rs 1457 crore.	1347.73	Yield on three years AAAINBMK corporate bond plus 50 bps with reset every three years payable monthly. The three year AAA bond yield will be calculated by taking average of three years' AAA rates in one month preceding the close of its disbursement (excluding holidays).	Repayment in 40 equal quarterly instalments beginning on July 15, 2011	First <i>pari passu</i> charge by way of hypothecation of the movable assets and mortgage of the immovable assets of the Chamera power station – Stage II and Uri I power station.
7.	LIC ^{3 (a)(b)} 2 (b)(c)	Non-renewable line of credit of Rs. 6,500 crore vide a line of credit agreement dated February 17, 2005, for meeting fund requirement of constructions duly approved by the GoI, future joint venture projects, paying of high cost debt, for survey and	1,896.00	8.00% on the first tranche Rs. 11 crore repayable 8.43% on the second tranche of Rs. 85 crore repayable 8.65% on the third tranche of Rs. 50 crore repayable 9.53% on the fourth tranche of Rs. 35 crore repayable	Repayable in 24 half yearly instalments from April 30, 2012	Hypothecation of the moveable assets of the Company's Teesta III Low Dam hydroelectric project and Teesta V power station and a mortgage on the fixed assets of the Teesta III Low Dam



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
		investigation projects and for any other purpose. Line of credit of Rs 6500 crore foreclosed amount availed Rs 1896 crore.		9.11% on the fifth tranche of Rs. 115 crore repayable. 9.15% on the sixth tranche of Rs. 50 crore repayable. 9.11% on the seventh tranche of Rs. 467 crore repayable. 8.88% on the eight tranche of Rs. 483 crore repayable. 8.78% on the ninth tranche of Rs. 200 crore repayable. 9.78% on the tenth tranche of Rs. 400 crore repayable.		hydroelectric project and Teesta V power station
8	LIC ² (a)(b)(c)	Non-renewable line of credit of Rs. 2,500 crore vide a line of	1875.00	9.25% on the first tranche of Rs. 100 crore repayable	Repayable in 24 half yearly instalments	First mortgage and charge on all the moveable and



S. No.	Name of Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. Crore)	Interest Rate (p.a.)	Repayment Terms	Security
		credit agreement dated February 14, 2003 for meeting part of capital expenditure of hydro electric projects being and/or to be implemented by our Company all over India during the period of the facility.		8% being payable on the remaining Rs. 2,400 crore repayable	from April 15, 2009	immovable assets, both present and future, of the Company's Parbati II hydroelectric project and the Dhauliganga power station

¹ Our Company has undertaken to maintain an asset value of at least 1.1 times the loan amount. Also, our Company shall not transfer or abandon the project at any stage without the written consent of PFC.

^{2(a)} Our Company undertakes to maintain:

- a ratio of debt to net worth, which does not exceed 2:1
- an interest coverage ratio of more than 1.5 times

Further, our Company undertakes to maintain security coverage ratio of 1.25 times of the outstanding principal at all times during the currency of the facility. In the event of default, the lender shall be entitled to the right to review the management setup or organisation of our Company and to require our Company to restructure it as it may consider necessary, including the formation of management committees, with such powers and functions as maybe considered suitable. The lender shall also be authorised to appoint its representatives on various committees. In the event of default, our Company further undertakes not to, without the prior written permission of the lender, amend its Memorandum or Articles of Association.

(b) Our Company shall not without prior intimation to the lender, undertake any new project, diversification, modernisation or expansion of its existing projects. Our Company shall not create any subsidiaries or permit any company to become its subsidiary except with the prior intimation the lender. In the event, the Government's equity in our Company falls below 51%, the same shall be considered an event of default.

(c) A fall in credit rating below AA+ and deterioration in financial strength measured by mutually agreed financial ratios, would be considered an event of default.

^{3(a)} Our Company has undertaken to maintain the following financial covenants:

- a ratio of debt to net worth does not exceed 2:1 at any point of time
- an interest coverage ratio of more than two times.

Further, Our Company has also undertaken to maintain a security coverage ratio of 1.33 times of the outstanding principal at all times during the currency of the facility.



A fall in credit rating below A and deterioration in financial strength measured by mutually agreed financial ratios would be considered an event of default.

E. Unsecured Long Term Subordinate Debts availed of by our Company:

Set forth below is the brief summary of our Company's outstanding unsecured long term subordinate debt of Rs. 1372.89 crore as of January 31, 2012.

S. No.	Name of the Lender	Facility/Loan Documentation	Amount Outstanding (in Rs. crore)	Interest/Coupon Rate (p.a.)	Repayment Terms
1.	GoI, MoP	Subordinate debt of Rs. 270 crore for our Nimoo Bazgo project	270.00	4.00	Repayment w.e.f. the 12 th year after commissioning of the project till the 29 th year.
2.	GoI, MoP	Subordinate debt of Rs. 364 crore for our Chutak project	364.00	2.50	Repayment w.e.f. the 6 th year after commissioning of the project till the 29 th year.
3.	GoI, MoP	Subordinate debt of Rs. 2,380.44 crore for our Kishanganga project	738.89	1.00	Repayment w.e.f. the 11 th year after commissioning of the project till the 20 th year.

2. DEBT EQUITY RATIO

(Rs in Crores)

Particulars	Pre-issue (as on 31.12.2011)	Post issue
Debt		
Secured	10849.75	13538.72
Unsecured	4509.95	4197.67
Total Debt	15359.70	17736.39
Shareholders funds		
Share Capital	12300.74	12300.74
Reserves & Surplus (excluding Revaluation Reserves)	14256.09	14256.09
Net Worth	26556.83	26556.83
DEBT EQUITY RATIO	0.58	0.67

Note: including fresh drawls of Rs. 1350 crores during Jan-Feb 2012.



3. TOP 10 EQUITY SHAREHOLDERS (as on 03.02.2012)

Sl. No.	Name of the Shareholder	Number of Shares Held	% of holding
1	President of India	10623368758	86.363631%
2	Life Insurance Corporation of India	91281021	0.742077%
3	HDFC Standard Life Insurance Co. Ltd.	35995446	0.292628%
4	Franklin Templeton Mutual Fund A/c Franklin India	35000000	0.284536%
5	UCO Bank	33154836	0.269535%
6	Corporation Bank	16822014	0.136756%
7	Franklin Templeton Mutual Fund A/c Franklin India	15550706	0.126421%
8	PCA India Infrastructure Equity Open Ltd.	15451176	0.125612%
9	Aviva Life Insurance Company Ltd.	15391304	0.125125%
10	HDFC Trustee Company Ltd. – HDFC Top 200 Fund	14000000	0.113814%
Total		10896015261	88.580135%

4. TOP 10 HOLDERS OF O-SERIES BONDS (as on 03.02.2012)

Sl. No.	Name of the Bondholder	Number of Bonds Held	% of Holding
1	General Insurance Corporation of India	70	17.54%
2	The New India Assurance Co. Ltd.	30	7.52%
3	PNB Employee Pension Fund	29	7.27%
4	ICICI Prudential Life Insurance Co. Ltd.	20	5.01%
5	Food Corporation of India CPF Trust	17	4.26%
6	CBT EPF-11-B-DM	15	3.76%
7	United India Insurance Co. Ltd.	15	3.76%
8	PNB Employees Provident Fund	13	3.26%
9	Bank of India Provident Fund	12	3.01%
10	Birla Sun Life Insurance Co. Ltd.	11	2.76%
Total		232	58.15%



5. TOP HOLDERS OF P-SERIES BONDS (as on 03.02.2012)

Sl. No.	Name of the Bondholder	Number of Bonds Held	% of Holding
1	Life Insurance Corporation of India	20000	100%
Total		20000	100%

6. PARTICULARS OF DEBT SECURITIES ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION

The Company confirms that other than and to the extent mentioned elsewhere in this Disclosure Document, it has not issued any shares or debt securities or agreed to issue any shares or debt securities for consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

XI. SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES AND OTHER BORROWINGS

The Company hereby confirms that:

- The main constituents of the Company's borrowings have been in the form of borrowings from Banks and Financial Institutions, Bonds etc.
- The Company has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
- The Company has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

XII. UNDERTAKING REGARDING COMMON FORM OF TRANSFER

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

The Company undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document.



XIII. MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE

The Company hereby declares that there has been no material event, development or change at the time of issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Company.

XIV. PERMISSION / CONSENT FROM PRIOR CREDITORS

The Company hereby confirms that it is entitled to raise money through current issue of Bonds without the consent/ permission/ approval from the Bondholders/ Trustees/ Lenders/ other creditors of the Company. The Company will take consent from the existing charge holders for creation of security for the Bonds on pari passu basis. In future, the Trustees shall provide consent to create pari-passu charge subject to Company's complying with the requisite terms of the Bonds issued.

XV. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material have been entered into by the Company. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Corporate Office of the Company between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

- a) Copy of letter appointing M/s RCMC Share Registry Private Limited as Registrar and Transfer Agent.
- b) Copy of letter appointing IDBI Trusteeship Services Limited, as Trustee to the Bondholders.

B. DOCUMENTS

- a) Memorandum and Articles of Association of the Company as amended from time to time.
- b) Board Resolution dated October 28'2011 authorizing issue of Bonds offered under terms of this Disclosure Document.
- c) Letter of consent from IDBI Trusteeship Services Limited for acting as Trustee for and on behalf of the holder(s) of the Bonds.
- d) Letter of consent dated September 2, 2011 and February 2, 2012 from M/s RCMC Share Registry Private Limited for acting as Registrars & Transfer Agent to the Issue.
- e) Letter of Consent from (Collection Banker) for acting as Banker to the Issue.
- f) Copy of application made to the NSE for grant of in-principle approval for listing of Bonds.
- g) Letter from NSE conveying its in-principle approval for listing of Bonds.



- h) Letter dated September 7, 2011 from Fitch Ratings conveying the credit rating for the Bonds of the Company and the rating rationale pertaining thereto.
- i) Letter dated September 7, 2011 from CARE Ratings conveying the credit rating for the Bonds of the Company and the rating rationale pertaining thereto.
- j) Letter dated September 7, 2011 from ICRA conveying the credit rating for the Bonds of the Company and the rating rationale pertaining thereto.
- k) Tripartite Agreement dated 24.12.2001 between the NHPC, NSDL and M/s RCMC Share Registry Private Limited for issue of Bonds in dematerialised form.
- l) Tripartite Agreement dated 01.01.2002 between the NHPC, CDSL and M/s RCMC Share Registry Private Limited for issue of Bonds in dematerialised form.

Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the Bondholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

XVI. STOCK EXCHANGE WHERE SECURITIES ARE PROPOSED TO BE LISTED

9.25% Secured Non-Convertible Redeemable Bonds in the nature of Debentures (Q-Series) are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the National Stock Exchange of India Ltd. ("NSE"). The Company has obtained an in-principle approval from the NSE for listing of said Bonds on its Wholesale Debt Market (WDM) Segment. The Company shall make an application to the NSE to list the Bonds to be issued and allotted under this Disclosure Document and complete all the formalities relating to listing of the Bonds within 10 weeks from the date of closure of the Issue. If such permission is not granted within 10 weeks from the date of closure of the Issue or where such permission is refused before the expiry of the 10 weeks from the closure of the Issue, the Company shall forthwith repay without interest, all monies received from the applicants in pursuance of the Disclosure Document, and if such money is not repaid within 8 days after the Company becomes liable to repay it (i.e. from the date of refusal or 10 weeks from the date of closing of the subscription list, whichever is earlier), then the Company and every director of the Company who is an officer in default shall, on and from expiry of 8 days, will be jointly and severally liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under Section 73 of the Companies Act, 1956.

In connection with listing of Bonds with NSE, the Company hereby undertakes that:

- a) It shall comply with conditions of listing of Bonds as may be specified in the Listing Agreement with NSE.
- b) Ratings obtained by the Company shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the Company to NSE.
- c) Any change in rating shall be promptly disseminated to the holder(s) of the Bonds in such manner as NSE may determine from time to time.
- d) The Company, the Trustees and NSE shall disseminate all information and reports on Bonds including compliance reports filed by the Company and the Trustees regarding the Bonds to the holder(s) of Bonds and the general public by placing them on their websites.



- e) Trustees shall disclose the information to the holder(s) of the Bonds and the general public by issuing a press release in any of the following events:
 - i. default by the Company to pay interest on Bonds or redemption amount;
 - ii. revision of rating assigned to the Bonds;
- f) The information referred to in para (e) above shall also be placed on the websites of the Trustees, Company and NSE.

XVII. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED, REDEMPTION AMOUNT, PERIOD OF MATURITY YIELD ON REDEMPTION, DISCOUNT AT WHICH OFFER IS MADE AND EFFECTIVE YIELD FOR INVESTOR).

The Bonds being offered are subject to the provisions of the Act, the Memorandum and Articles of Association, the terms of this Disclosure Document, Application Form and other terms and conditions as may be incorporated in the Trustee Agreement, Letter(s) of Allotment and/or Bond Certificate(s). Over and above such terms and conditions, the Bonds shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue and listing of debt securities issued from time to time by SEBI/the Government of India/RBI and/or other authorities and other documents that may be executed in respect of the Bonds.

Objects of the Issue

The objects of the Fresh Issue are to utilise the proceeds of the Fresh Issue, to meet the debt requirement of the ongoing construction projects and to recoup the Internal Resources already deployed in the construction projects.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, we confirm that the activities we have been carrying out until now are in accordance with the objects clause of our Memorandum of Association.

Utilization of Issue Proceeds

The Company is managed by professionals under the supervision of its Board of Directors. Further, the Company is subject to a number of regulatory checks and balances as stipulated in its regulatory environment. Therefore, the management shall ensure that the funds raised via this private placement shall be utilized only towards satisfactory fulfillment of the Objects of the Issue. The company further confirms that the proceeds of the current issue of Bonds shall not be used for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.



SUMMARY TERM SHEET

Terms of the Bonds

Private Placement of Secured, Non Convertible, Non Cumulative, Redeemable, Taxable Bonds with Separately Transferable Redeemable Principal Parts (STRPPs) in the nature of Debentures of the face value of Rs. 12.00 Lakhs (Rupees Twelve Lakhs only) comprising 12 STRPP of the value of Rs. 1.00 Lakh (Rupees One Lakhs only) each for cash at par for Rs. 498 crores (Rupees Four Hundred Ninety Eight Crores only) with Green Shoe Option of Rs. 768 crores (Rupees Seven Hundred Sixty Eight Crores only).

SL. NO.	PARTICULARS	DETAILS
1	Issuer	NHPC LTD.
2	Instrument /Bond Series	Secured, Non Convertible, Non Cumulative, Redeemable, Taxable Bonds (Q-Series)
3	Issue size	4150 Bonds aggregating to Rs. 498 crores (Rupees Four Hundred Ninety Eight Crores only) with Green Shoe Option of Rs. 768 crores (Rupees Seven Hundred Sixty Eight Crores only).
4	Denomination (Face Value) & Issue Price	Each Bond shall have a face value of Rs. 12.00 Lakhs (Rupees Twelve Lakhs only) comprising 12 STRPP of the value of Rs. 1.00 Lakh (Rupees One Lakhs only) each.
5	Object of the issue	To Meet the debt requirement of on-going projects*
6	Mode of Subscription	Full Face value payable along with application
7	Tenor	Bonds are redeemable at par in 12 equal annual installments starting at the end of 4 th year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 4 th , 5 th , 6 th , 7 th , 8 th , 9 th , 10 th , 11 th , 12 th , 13 th , 14 th and 15 th year respectively. These Principal Parts would be designated and named as A, B, C, D, E, F, G, H, I, J, K and L respectively.
8	Coupon Rate	9.25% per annum
9	Interest payment	Payable annually starting from the 1 st anniversary date of the date of allotment
10	Redemption Date	At the end of 4 th , 5 th , 6 th , 7 th , 8 th , 9 th , 10 th , 11 th , 12 th , 13 th , 14 th and 15 th year respectively from the date of allotment
11	Put and Call Option	No Put and Call Option
12	Proposed Listing of Debt Securities	WDM Segment of National Stock Exchange
13	Issuance/ Trading	In Demat Mode
14	Depositories	National Securities Depository Ltd. (NSDL) & Central Depository Services Ltd. (CDSL)
15	Registrar & Transfer Agent	M/s RCMC Share Registry Pvt. Ltd., Ground Floor, B-106, Sector-2, Noida-201301 (UP)
16	Debenture Trustee	IDBI Trusteeship Services Limited, 17, Asian Building Ground Floor, R. Kamani Marg, Ballard Estate, Mumbai – 400001



17	Security	The Bonds will be secured by way of first pari-passu charge on the assets of the Company, i.e., TLDP-III HE Project (in West Bengal) and Teesta-V Power Station (in Sikkim). The charge will be created in favour of Debenture Trustee on behalf of the Bondholders in such form and manner in one or more tranches and through one or more security documents as considered appropriate by the Company of value not less than 1.00 times the value of the Bonds outstanding.
18	Rating	“FitchAAA(ind)(exp)” (pronounced Fitch triple A ind) by Fitch Ratings. ICRA “[ICRA] AAA” (pronounced ICRA triple A) with stable outlook by ICRA. “CARE AAA” (pronounced Triple A) by CARE Ratings.
19	Settlement	Payment of interest and repayment of principal shall be made by way of ECS / Direct Credit / RTGS / NEFT / cheque(s)/warrant(s)/demand draft(s) payable at par
20	Issue opening	March 05, 2012 (Monday)
21	Issue closing	March 06, 2012 (Tuesday)
22	Intimation of allocation to investors	March 09, 2012 (Friday)
23	Pay-in-date	March 12, 2012 (Monday)
24	Deemed Date of allotment	March 12, 2012 (Monday)

Note: inclusive of recoupment of expenditure already incurred.*

Registration and Government Approvals

The company can undertake the activities proposed by in view of the present approvals and no further approval from any Government authority (ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

The present issue of Secured, Non Convertible, Non Cumulative, Redeemable, Taxable Bonds is being made pursuant to the Resolution of the Board of Directors of the Company passed in its meetings held on 28.10.2011 & 15.02.2012 wherein the Chairman and Managing Director / Director (Finance) have been authorized to raise Secured, Non Convertible, Non Cumulative, Redeemable, Taxable Bonds (Q-Series) of upto Rs 500.00 crores with Green Shoe Option up to Rs 1000.00 crores on private placement basis in D-mat form with in the borrowing powers as set out in 28th AGM held on 15.09.04 under section 293(1)(d) of the Companies Act. The aggregate amount of borrowings including the Bonds offered through this document is well within the limits of borrowings mentioned above. The Company can issue the bonds proposed by it in view of the present approvals and no further approvals in general from any Government Authority are required by it to undertake the proposed activity.



Face Value, Issue Price, Effective Yield for Investor

Each Bond has face value of Rs. 12.00 Lakhs (Rupees Twelve Lakhs only) and is issued at par i.e. for Rs. 12.00 Lakhs (Rupees Twelve Lakhs only). The Bonds shall be redeemable at par i.e. for Rs. 12.00 Lakhs (Rupees Twelve Lakhs only) per Bond @ 1/12 of the face value of the Bond every year over a period of 12 years commencing from the from the end of 4th year up to the end of 15th year from the Deemed Date of Allotment . Since there is no premium or discount on either issue price or on redemption value of the Bonds, the effective yield for the investors shall be the same as the coupon rate on the respective bonds series.

Deemed Date of Allotment

Interest on Bonds shall accrue to the Bondholder(s) from and including March 12, 2012 (Monday) which shall be the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the investors from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The company reserves the right to modify allotment date / deemed date of allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed (pre-poned / postponed), the Deemed Date of Allotment may also be changed (pre-poned / postponed) by the Company at its sole and absolute discretion.

Underwriting

The present Issue of Bonds is on private placement basis and has not been underwritten.

Who can apply:

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Bonds

- Companies and Bodies Corporate including Public Sector Undertakings
- Scheduled Commercial Banks
- Regional Rural Banks
- Co operative Banks
- Financial Institutions
- Insurance Companies
- Mutual Funds
- Provident, Pension, Superannuation & Gratuity Funds
- Port Trusts
- Any other investor authorised to invest in these bonds, subject to confirmation from the issuer.

All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of bonds.



Procedure for applications by Mutual Funds

The applications forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of

- SEBI registration certificate
- Resolution authorizing investment and containing operating instructions
- Specimen Signature of authorized signatories

Documents to be provided by investors

Investors need to submit the following documentation, along with the application form, as applicable.

- Memorandum and Articles of Association / Documents Governing Constitution
- Resolution authorising investment
- Certified True Copy of the Power of Attorney
- Form 15 AA for investors seeking exemption from Tax deduction at source from interest on the application money.
- Specimen signatures of the authorised signatories duly certified by an appropriate authority.
- SEBI Registration Certificate (for Mutual Funds)/Recognition Certificate of Trust – Provident, Pension, Superannuation and Gratuity Fund
- Permanent Account Number (PAN)
- Bank / demat Account Number

Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

Submission of Completed Application Forms and Mode of Payment

The amount of the application money may be deposited by way of remittance through **RTGS** only to **NHPC Ltd C.A. No. 10813608692 with (State Bank of India, CAG Branch, New Delhi) (IFSC Code SBIN0009996) on account of Application Money for NHPC Q-Series Bonds.**

The application duly filled and affixed the stamp of arranger may be deposited to Chief (Finance) - Treasury, 4th Floor, NHPC LTD, NHPC Office Complex, Sector-33, Faridabad – 121 003 (Haryana) or through arranger by whom the bids will be submitted.

The copy of the application with RTGS related details (mentioning UTR number on the top of the application) Depository details (mentioning Depository name, Depository Participant's name, DP ID, Client ID (house/non house) must be faxed / hand delivered on



the pay in date immediately to Chief (Finance) - Treasury, 4th Floor, NHPC LTD, NHPC Office Complex, Sector-33, Faridabad – 121 003 (Haryana) to facilitate reconciliation and allotment process of bonds.

Right to accept / reject applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms which are incomplete or which do not fulfill the Terms & Conditions indicated on the back of the application form are liable to be rejected.

Payment on Application

The full face value of the Bonds applied for, is to be paid along with the application form.

Minimum Lot Size

The minimum lot size for trading of the Bonds on the NSE is proposed to be 1 STRPP of the value of Rs. 1.00 Lakh only.

Minimum Subscription:

As the current issue of bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore, NHPC shall not be liable to refund the issue subscription(s)/proceed(s) in the event of total issue collection falling short of issue size or certain percentage of issue size.

Basis of Allocation / Allotment

The Issuer will decide the basis of allotment through Book Building Process. The issuer reserves the right to reject any/all applications at its sole discretion, without assigning any reason whatsoever.

Book Building Procedure

1. Commencing from the Offer Opening Date, potential investors will be invited to place bids by way of irrevocable Letter of Commitment, in the prescribed format, as per the Annexure.
2. As per the format, the investor may indicate the amount that they will like to invest at different coupon rates. Alternatively, investors may indicate the amount they would like to invest at the cut-off coupon rate as decided by the Company, i.e., NHPC. Orders placed earlier can be changed anytime during the bidding period (opening date and time) to (closing date and time) by giving a revised commitment letter, which will be deemed to supercede the earlier commitment.
3. The Letters of Commitment should be submitted to Chief (Finance) – Treasury, 4th Floor, NHPC Office Complex, Sector-33, Faridabad-121 003 (Haryana) in a sealed envelope marked “Original / Revised (as the case may be) Letter of Commitment – NHPC Q-Series



- Bonds” before Bid Closing Date and Time. Full confidentiality of commitments shall be maintained.
4. Based on the Letters of Commitment received, a “Final Coupon Rate” for Q-Series Bonds shall be determined by NHPC.
 5. The “Final Coupon Rate” so decided will be applicable for all the investors.
 6. The final allocation to the investors shall be decided by NHPC. In case there is over-subscription in the issue, priority will be given to investors in the following order:
 - i) First priority would be given to investors bidding at the lowest coupon rate either in original or revised bid.
 - ii) Second priority would be given to investors bidding at the “Cut-off” Coupon Rate either in original / revised bid.
 - iii) Further, within a set of applications bidding to invest at the same Coupon rate, priority shall be given to bids received on an earlier date.
 - iv) In case of tie with respect to “Final Coupon Rate” and Date of Receipt of the bid, allocation will be done on Pro-rata basis.
 7. The Final Coupon Rate along with the investors’ allocation shall be communicated to the investors latest by March 9, 2012.

On receipt of the Allocation Advice, completed applications along with the details of deposit through RTGS for the requisite amount & other necessary documents may be submitted directly or through Arranger by whom the bids have been submitted, to Chief (Finance) – Treasury, 4th Floor, NHPC Office Complex, Sector-33, Faridabad-121 003 (Haryana). The amount of application money may be deposited through RTGS only to (NHPC Bank Details) on account of **Application Money for Q-Series Bonds on (Pay-in Date)**.

Note: NHPC reserves the right to change the Issue Schedule and also accept or reject any application, in part or in full, without assigning any reason.

Denomination of Bonds

Each Bond will have a face value of Rs. 12.00 Lakhs only and will be issued in the form of 12 Separately Transferable Redeemable Principal Parts (STRPPs). Each of the Principal Parts shall be of the value of Rs. 1.00 Lakh only and would be redeemable at par at the end of 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th and 15th year respectively. These Principal Parts would be designated and named as A,B,C,D,E,F,G,H,I,J, K and L respectively.

The investors can hold the bonds only in Electronic (Dematerialized) form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time. The Company is making arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) for the issue of these Bonds in the Electronic (Dematerialized) form. All provisions relating to issue, allotment, transfer, transmission etc in respect of Bonds/STRPPs as prescribed under the Depositories Act, 1996 and the rules made there under will be applicable to the Bonds issued in Dematerialized Form.

Applicants should mention their Depository Participant’s (DP) name, DP-ID and Client-ID (Beneficiary Account Number), clear and legible, in the appropriate place in the Application Form.



Depository Arrangement

The Company has appointed M/s RCMC Share Registry Pvt. Ltd. Ground Floor, B-106, Sector-2, Noida-201301, as Registrars & Transfer Agent for the present bond issue. The Company has made depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for issue and holding of the Bonds in dematerialised form.

As per the provisions of Depositories Act, 1996, the Bonds issued by the Company can be held in a dematerialised form, i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. In this context:

- Two tripartite agreements have been signed
 - Tripartite Agreement dated 24.12.2001 between NHPC, NSDL and RCMC Share Registry Ltd.
 - Tripartite Agreement dated 01.01.2002 between NHPC, CDSL and RCMC Share Registry Ltd.
- An applicant applying for Bonds in the electronic form must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
- The applicant seeking allotment of Bonds in the electronic form must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application form under the heading 'Request for Bonds in Electronic Form'.

Bonds allotted to an applicant in the electronic account form will be credited directly to the applicant's respective beneficiary account(s) with the DP.

For subscription in electronic form, names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.

- In case of allotment of Bonds in electronic form, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.



Procedure for applying for Demat Facility

1. The applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
2. The applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application Form under the heading 'Details for Issue of Bonds in Electronic/ Dematerialised Form'.
3. Bonds allotted to an applicant will be credited directly to the applicant's respective Beneficiary Account(s) with the DP.
4. For subscribing the bonds, names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.
5. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrars to the Issue.
6. If incomplete/incorrect details are given under the heading 'Details for Issue of Bonds in Electronic/ Dematerialized Form' in the application form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Company.
7. For allotment of Bonds, the address, nomination details and other details of the applicant as registered with DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of its demographic details given in the application form vis-a-vis those with their DP. In case the information is incorrect or insufficient, the Issuer -would not be liable for losses, if any.
8. It may be noted that Bonds being issued in electronic form, the same can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. National Stock Exchange of India Ltd., where the Bonds of the Company are proposed to be listed has connectivity with NSDL and CDSL.
9. Interest or other benefits would be paid to those Bondholders whose names appear on the list of beneficial owners given by the Depositories to the Company as on Record Date/ Book Closure Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/ Book Closure Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Letter(s) of Allotment / Bond Certificate(s) / Refund Order(s) Issue Letter(s) of Allotment

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) / Depository Participant will be given initial credit within 2 working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Bond Certificate.



Issue of Bond Certificate(s)

Subject to the completion of all statutory formalities within 3 months from the Deemed Date of Allotment, or such extended period as may be approved by the appropriate authority(ies), the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, 1996, Security and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL / CDSL / Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

Record Date

For the purpose of corporate actions such as interest payment and redemption, the 'Record Date' for the Bonds shall be fixed not more than 15 calendar days prior to such corporate action (both dates exclusive). Interest and/or principal repayment shall be made to the person whose name appears as sole first in the register of bondholders/ beneficiaries position of the Depositories on record date. In the event of the Company not receiving any notice of transfer at least 15 days before the respective due date of payment of interest and at least 15 days prior to the maturity date, the transferees for the Bonds shall not have any claim against the Company in respect of interest so paid to the registered bondholder.

List of Beneficial Owners /Register of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be. The depositories shall maintain a register and an index of Beneficial Owners in the manner provided in Sections 150, 151 and 152 of the Companies Act, 1956.

Payment of Interest

Interest would be payable annually on anniversary date of the deemed date of allotment every year till the final date of redemption so as to include the previous interest payment date and exclude the current interest payment date.. The interest payable to each bondholder shall be paid by way of RTGS/interest warrants bearing the interest payment dates. Such payments shall be made to the Bondholders whose names appear in the Register of Bondholders on the record date and in case of joint holders to the one whose name appears first in the Register of Bondholders. In the event of the Corporation not receiving any notice of transfer on the record date i.e. 15 days before the interest payment date, the transferee(s) for the Bond shall not have any claim against the Corporation in respect of amount so paid to the registered Bondholders. The Company retains the right to revise (pre-pone/ postpone) the above interest payment date(s) at its sole and absolute discretion subject to the compliance of the relevant statutory provisions in this regard..



- The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days except in case of a leap year where the year will comprise of 366 days.

Wherever the signature(s) of such transferor(s) in the intimation sent to the Corporation is/are not in accordance with the specimen signature(s) of such transferor(s) available on the records of the Corporation, all payments on such Bond(s) will be kept at abeyance by the Corporation till such time as the Corporation is satisfied in this regard.

No interest / interest on interest shall accrue on the Bonds after the date of maturity of the respective instruments.

Payment on Redemption

The payment of the redemption amount of the Bonds will be made by the Company to the Registered Bondholders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Bondholders as on the record date. In the event of the Company not receiving any notice of transfer, before the record date, the transferee(s) for the Bond(s) shall not have any claim against the Company in respect to the amount so paid to the Registered Bondholders.

The Bonds held in the Dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Bondholders whose name appears in the Register of Bondholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Bondholders. On such payment being made, the Company will inform NSDL/ CDSL and accordingly the account of the Bondholders with NSDL/ CDSL will be adjusted.

The Company's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Bonds, the liability of the Company shall stand extinguished.

Effect of Holidays

Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Delhi/Faridabad, the interest/principal, as applicable, for the period would be paid on the immediate preceding working day in Delhi/Faridabad with interest upto the day preceding the actual date of payment.



Tax Deduction at Source

Tax applicable under the Income-Tax Act, 1961, or any other statutory modification or reenactment thereof will be deducted at source. Tax exemption certificate/ document, under section 193/197/197A of the Income Tax Act, 1961, if any must be lodged in duplicate at the office of the Issuer, at least 30 days prior to the interest payment date. In case of tax deducted at source, the Company will issue the TDS certificate to the investors.

Payments at Par

The Company will try, as far as possible, to pay interest and principal on the bonds through ECS/direct credit/ RTGS/NEFT/ instruments payable at par as per applicable norms of the Reserve Bank of India.

Despatch of Documents

The Cheques/ Demand Drafts/other instruments of payment, as the case may be, shall be dispatched by registered post / courier or by hand delivery to the address of the holder whose name appears first in the Register of Bondholders. This will be at the sole risk of the addressee.

Loss of Interest Warrants

Loss of interest warrants should be intimated to NHPC. The issue of duplicate interest warrants would be governed by such conditions as may be prescribed by NHPC.

Purchase and Sale of Bonds

The Corporation may, at any time and from time to time, purchase Bonds at the price available in the Capital Market in accordance with the applicable laws. Such Bonds may, at the option of the Corporation, be canceled, held or reissued at such a price and on such terms and conditions as the Corporation may deem fit and as permitted by law.

Re-issue of Bonds

Where the Corporation has redeemed any such Bonds, subject to the provisions of Section 121 of the Companies Act and other applicable provisions, the Corporation shall have and shall be deemed always to have had the right to keep such Bonds alive for the purpose of reissue and in exercising such right, the Corporation shall have and shall be deemed always to have had the power to re-issue such Bonds either by re-issuing the same Bonds or by issuing other Bonds in their place.

Transfer of Bonds

All requests for registration of transfer, transmission, etc. along with appropriate documents should be sent to RTA – **M/s RCMC Share Registry Pvt. Ltd., Ground Floor, B-106, Sector-2, Noida-201 301 (UP)** or such other persons at such addresses as may be notified by the Company from time to time.



Mode of Transfer

The Company is a Government Company within the meaning of Section 617 of the Companies Act, 1956. The bonds will be transferable in accordance with the Provisions of the Companies Act, 1956.

Bonds held in Electronic (Dematerialized) form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depository/ Depository Participant of the transferor/transferee and any other applicable laws and rules notified in respect thereof.

Succession

In the event of winding-up/demise of the Bondholder(s), NHPC will recognise the executor or administrator of the concerned Bondholder(s), or the other legal representative as having title to the Bond(s). NHPC shall not be bound to recognise such executor or administrator or other legal representative as having title to the Bond(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a Court in India having jurisdiction in the matter.

NHPC may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration other legal representation, in order to recognise such holder as being entitled to the Bond(s) standing in the name of the concerned Bondholder on production of sufficient documentary proof or indemnity.

However, in case of Acquisition/Take over/Mergers and Amalgamations of the Bondholder company, the changes will be recognized only by NHPC when the entire process of such Acquisition/Take over/Mergers and Amalgamations (not restricted to permission of the concerned court or any other authority as applicable of such Acquisition/Take over/Mergers and Amalgamations) is completed and necessary changes are carried on with the Registrar of the Companies and proof thereof is submitted to the Registrar of Issue.

Bond Redemption Reserve

The Company shall create Bonds Redemption Reserve (BRR) out of its profits and transfer to BRR suitable amounts in accordance with relevant provisions of the Companies Act, 1956 or other guidelines issued from time to time and in force during the currency of the Bonds/STRPPs.

Security

The NCDs in the nature of bonds shall be secured by first pari-passu charge over the fixed assets of the company both existing and future, with asset coverage not exceeding 1.00 time the issue amount. The company proposes to provide balance available coverage in its existing assets already mortgaged to LIC i.e. TLDP-III HE Projects (in West Bengal) & Teesta-V Power Station (in Sikkim) on pari-passu basis.



The Company shall at all times maintain a minimum security cover of 1.00 times of the value of all the outstanding Bonds proposed to be issued.

The said security shall be created in favour of the Debenture Trustee within 3 months from the deemed date of allotment failing which additional interest @ 2% p.a. on the outstanding amount of debentures shall be payable by the company from the date of disbursement till such creation of security to the satisfaction of Debenture Trustee.

Servicing behavior on existing debentures

NHPC confirms that it has been regular in servicing all its past bonds.

Rights of Bondholders

The Bondholders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Bonds shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of the Corporation. The Bonds shall be subjected to other usual terms and conditions, as per the Memorandum and Articles of Association of the Corporation.

Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a special resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution which modifies or varies the terms and conditions of the Bonds shall be operative against the Corporation, if the same are not accepted by the Corporation.

Future Borrowings

The Corporation shall be entitled from time to time to make further issue of Bonds to the public, members of the Corporation and /or any other person(s) and to raise further loans, advances or such other facilities from Banks, Financial Institutions and / or any other person(s) on the security or otherwise of its assets without any further approval from the Bondholders.

Bondholder not a Shareholder

The Bondholders will not be entitled to any of the rights and privileges available to the Equity Shareholders.

Governing Law

The Bonds are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising thereof will be subject to the jurisdiction of the court of Delhi.



Trustees for the Bondholders

The Company has appointed IDBI Trusteeship Services Limited to act as Trustees for the Bondholders (“Trustees”). The consent letter of the trustee is enclosed in the Appendix, for reference. The Company and the Trustees has entered into a Trustee Agreement.

The Company hereby undertakes that a Trust Deed shall be executed by it in favour of the Trustees within three months of the closure of the Issue. The Trust Deed shall contain such clauses as may be prescribed under section 117 A of the Companies Act, 1956 and those mentioned in Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the Company in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustees or the Company for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Bondholder(s). Any payment made by the Company to the Trustees on behalf of the Bondholder(s) shall discharge the Company *pro tanto* to the Bondholder(s).

The Trustees will protect the interest of the Bondholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Company.

No Bondholder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so. In the event of Company defaulting in payment of interest on Bonds or redemption thereof, any distribution of dividend by the Company shall require approval of the Trustees.

Force Majeure

The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Notices

The notices to the Beneficial Owners of Bonds required to be given by the Company shall be deemed to have been given if sent by Registered Post/ Speed Post/ Courier/Ordinary Post to the Registered Beneficial Owner of Bonds and /or if an advertisement is given in a newspaper



circulating in the neighborhood of the Registered Office of the Company and/ or if communication in this regard has been effected to the depositories.

All notices to be given by the Beneficial Owners of Bonds shall be sent by Registered Post or by Hand Delivery to the Company or such persons, at such address, as may be notified by the Company from time to time.

Undertaking by the Issuer

The Issuer Company undertakes that:

- the complaints received in respect of the Issue shall be attended to by the issuer company expeditiously and satisfactorily;
- that all the steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchange where the securities are to be listed shall be taken immediately after finalization of basis of allotment
- Necessary co-operation to the credit rating agency (ies) shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
- That the company shall disclose the complete name and address of the debenture trustee in the annual report
- That the company shall provide a compliance certificate to the Bond holders (on yearly basis) in respect of compliance with the terms and conditions of issue of Bonds as contained in the document, duly certified by the debenture trustee.
- That the company shall furnish a confirmation certificate to the debenture trustee (on yearly basis) that the security created by the company in favour of the Bond holders is properly maintained and is adequate enough to meet the payment obligations towards the Bond holders in the event of default



XVIII ANNEXURES

A. DRAFT FORMAT OF LETTER OF COMMITMENT FROM INVESTORS

As enclosed.

B. CONSENT LETTER OF TRUSTEE

As enclosed.

C. CONSENT LETTER FROM REGISTRAR & TRANSFER AGENTS

As enclosed.

D. CREDIT RATING LETTERS AND RATIONALE

As enclosed.



DRAFT/SAMPLE FORMAT OF LETTER OF COMMITMENT FROM INVESTORS

(To be furnished on Investors letter head)
(Please indicate STD Code, Tel and Fax Nos.)

Date: DD/MM/YYYY

Application Form No.-----

NHPC Limited,
NHPC Office Complex,
Sector-33, Faridabad – 121 003 (Haryana)

Dear Sir (s)

We refer to your Disclosure Document for Private Placement of Secured, non-convertible, noncumulative, redeemable, taxable bonds in the nature of Debentures addressed to us giving details of the proposed placement of Rs. ---- with Green Shoe Option of upto Rs. ---.

We hereby commit to invest in the aforesaid issue. Our requirement is shown in the following table:

A : At Coupon Rate (%) p.a. (payable Annually)	B: No. of Bonds at "A" or at higher coupon (min. TEN and in multiples of FIVE bond thereafter)	Total amount at "A" or at a higher coupon (B X ----) (Rs.)
	OR	
At Cut-off Rate		

This letter is an irrevocable commitment from us to subscribe to the said number of bonds, subject to your acceptance, unless superseded by a subsequent letter from us, delivered to you before the closure of the book i.e. on (Closing Date & Time).

Kindly allocate to us the desired number of bonds or any such lesser quantity as may be decided by you. As outlined above in the Disclosure Document for Private Placement, we undertake to send our Application Form along with the remittance through RTGS and other necessary documents on (Pay-in Date) or such other date that may be intimated to us in the event of the closure of book prior to/after (Closing Date & Time) in respect of the bonds that may be allocated to us.

Thanking You,

Yours faithfully,

(Name & Designation)
For (Name of Investor)
Authorised Signatory

Tel. No. _____ **FAX No.** _____

PAN _____ **DP Name** _____

DP ID _____ **Client ID** _____ **House/Non-House**



XIX. DECLARATION

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008.

The Company also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Company accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to the authority granted by Board of Directors of the Company at their meeting held on 28.10.2011.

for NHPC Ltd.

-sd-

(R.K. Taneja)

Executive Director (Finance)

Place: Faridabad

Date :March 6, 2012



(This is a Disclosure Document prepared in conformity with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008 as amended and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 Issued vide CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 Dated October 12, 2012)

NHPC LIMITED

(A Government of India Enterprise)

Regd. Office: NHPC Office Complex, Sector-33, Faridabad-121003 (Haryana)

Tel: (0129) 2272 803, 2271 378, 2250 437 Fax (0129) 2270902

Website: www.nhpcindia.com

E-mail: companysecretary@nhpc.nic.in, nhpcbondsection@gmail.com

(The Company was incorporated on November 7, 1975 under the Companies Act, 1956 (the “Companies Act”) as a private limited company under the name ‘National Hydroelectric Power Corporation Private Limited’. The word ‘private’ was subsequently deleted on September 18, 1976. Our Company was converted into a public limited company with effect from April 2, 1986. The name of the company was changed to ‘NHPC Limited’ with effect from March 28, 2008.)

DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF SECURED NON-CUMULATIVE NON CONVERTIBLE REDEEMABLE TAXABLE BONDS (R SERIES) IN THE NATURE OF DEBENTURES TO BE ISSUED IN THREE TRANCHES NAMLEY R1, R2 & R3.

R1 AT 8.70% of RS. 12.00 LAKHS EACH FOR CASH AT PAR AGGREGATING TO RS 54.00 CRORE WITH GREEN SHOE OPTION OF RS 36.00 CRORE.

R2 AT 8.85% of RS. 12.00 LAKHS EACH FOR CASH AT PAR AGGREGATING TO RS 300.00 CRORE WITH GREEN SHOE OPTION OF RS 108.00 CRORE.

R3 AT 8.78% of RS. 10.00 LAKHS EACH FOR CASH AT PAR AGGREGATING TO RS 646.00 CRORE WITH GREEN SHOE OPTION OF RS 356.00 CRORE.

ISSUE OPENS: JANUARY 30th, 2013 at 10.00 HRS

ISSUE CLOSES: JANUARY 31st, 2013 at 15.00 HRS

LISTING

The Bonds are proposed to be listed on WDM Segment of National Stock Exchange.

TRUSTEES FOR THE BONDHOLDERS

**SBICAP Trustee Company Ltd
8, Khetan Bhavan,
5th Floor , 198 , J.Tata Road
Churchgate,
Mumbai 400202
Tel 022 43025555, Fax 022 43025500**

REGISTRAR TO THE ISSUE

**RCMC Share Registry Pvt. Ltd.
Corporate Office,
Ground Floor, B-106,
Sector-2, Noida-201301,UP
Tel No: (0120) 4015 800
Fax No. 91-120-2444 346
E-mail: shares@rcmcdelhi.com**



ARRANGERS TO THE ISSUE

Sl. No.	Name of Merchant Banker / Arranger	Sl. No.	Name of Merchant Banker / Arranger
1	AXIS Bank Ltd.	9	Kotak Mahindra Capital Company Ltd.
2	ICICI Bank Ltd.	10	HDFC Bank Ltd.
3	IDFC Ltd.	11	Yes Bank Ltd.
4	LKP Securities Ltd.	12	SPA Capital Advisors Ltd.
5	SBICAP Market Ltd.	13	Trust Investment Advisors Pvt. Ltd.
6	Darashaw & Company Pvt. Ltd.	14	A K Capital Services Ltd.
7	Edelweiss Financial Services Ltd.	15	I Sec PD Ltd.
8	Almondz Global Securities Ltd.		

This taxable bond issue is being made on a private placement basis. It is not and should not be deemed to constitute an offer to the public in general. It cannot be accepted by any person other than to whom it has been specifically addressed.

The contents of this Disclosure Document for private placement are not transferrable and are intended to be used by the parties to whom it is distributed. It is not intended for distribution to any other person and should not be copied / reproduced by the recipient for any person whatsoever.

The information contained in this document has certain forward looking statements. Actual result may vary materially from those expressed or implied, depending upon economic conditions, government policies and other factors. Any opinion expressed is given in good faith but is subject to change without notice. No liability is accepted whatsoever for any direct or consequential loss arising from the use of the document.

NHPC does not undertake to update this Disclosure Document for Private Placement to reflect subsequent events and thus it should not be relied upon without first confirming the accuracy of such events with NHPC.



TABLE OF CONTENTS

INDEX	TITLE	PAGE NO.
	Definition / abbreviations	5-7
	Authority to Issue and DISCLAIMER	8-9
A	Issuer Information	
a)	Name and address	
i)	Registered Office of the Issuer	10
ii)	Corporate Office of the Issuer	10
iii)	Compliance Officer of the Issuer	10
iv)	CFO of the Issuer	10
v)	Arrangers, if any, of the instrument	10
vi)	Trustee of the issue	11
vii)	Registrar of the issue	11
viii)	Credit Rating Agency(ies) of the issue	11
ix)	Auditors of the Issuer	11
b)	A brief summary of the business / activities of the Issuer and its line of business	
i)	Overview	12
ii)	Corporate Structure	31
iii)	Key Operational & Financial Parameters for the last 3 Audited years	31
iv)	Project cost & Means of Financing	32
c)	A brief history of the Issuer since its incorporation	
i)	Details of Share Capital as on last quarter end	33
ii)	Changes in its capital structure as on last quarter end, for the last 5 years	33
iii)	Equity Share Capital History of the Company as on last quarter end, for the last 5 years	33
iv)	Details of any Acquisition or Amalgamation in the last 1 year	33
v)	Details of any Reorganization or Reconstruction in the last 1 year	33
d)	Details of the shareholding of the Company as on the latest quarter end	33
i)	Shareholding pattern of the Company as on the last quarter end	34
ii)	List of top 10 holders of equity shares of the Company as on the latest quarter end	34
e)	Details regarding the current directors of the Company	35
i)	Details of the current directors of the Company	35
ii)	Details of change in directors since last 3 years	37
f)	Details regarding the auditors of the Company	39
i)	Details of the auditors of the Company	39
ii)	Details of change in auditors since last 3 years	39
g)	Details of borrowings of the Company, as on the latest quarter end	41
i)	Details of Secured Loan Facilities	41
ii)	Details of Unsecured Loan Facilities	45
iii)	Details of NCDs	46



iv)	Details of Top 10 Debenture Holders (as on 31.12.2012)	47
v)	Corporate guarantee issued by the Issuer along with the name of the counterparty	48
vi)	Details of Commercial Paper	48
vii)	Details of Rest of the borrowing	48
viii)	Details of all default/s and/or delay in payment of interest and principal of any kind by the Company in the last 5 years	48
ix)	Details of any outstanding borrowings taken / debt securities issued (i) For consideration other than cash, whether in whole or part, (ii) At a premium or discount, or (iii) In pursuance of an option	49
h)	Details of Promoters of the Company	49
i)	Details of Promoter Holding in the Company as on the latest quarter end	49
i)	Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information for last 3 years and auditor qualification, if any.	49
j)	Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information and auditor qualification, if any.	49
k)	Any material event / development or change having implications on the financials / credit quality	49
l)	Name of Debenture Trustee	49
m)	Credit rating letter / detailed rating rationale issued by the credit rating agency/ies	50
n)	Details of Guarantee / letter of comfort, if any	50
o)	Consent letter from the Debenture Trustee	50
p)	Name of Stock Exchange where debt securities are proposed to be listed	50
q)	Other details	50
i)	DRR creation – relevant regulations and applicability	50
ii)	Issue / Instrument specific regulations – relevant details (Companies Act, RBI guidelines etc.)	50
iii)	Application process	50
B	Issue Details	50
a)	Term Sheet R1	63
b)	Term Sheet R2	69
c)	Term Sheet R3	75
	Letter of Commitment	82
	Declaration	84



I. Definition / Abbreviations

Issuer Related Terms

Term	Description
Articles of Association or Articles	The articles of association of the Company, as amended from time to time
Auditors	The Joint Statutory Auditors of the Company are 1. M/s S. N. Nanda & Co., New Delhi 2. M/s Baweja & Kaul, Jammu Tawi / New Delhi 3. M/s Singhi & Co., Kolkata 4. M/s Tiwari & Associates, New Delhi
Board or Board of Directors	The Board of Directors of the Company
Directors	The Directors of the Company
Memorandum of Association or Memorandum	The memorandum of association of the Company, as amended from time to time
Promoter	The President of India, acting through the Ministry of Power, Government of India
Registered Office	The registered office of the Company, which, as at the date of this Disclosure Document, is located at NHPC Office Complex, Sector - 33, Faridabad 121 003, Haryana, India

Conventional and General Terms

Term	Description
Act or Companies Act	The Companies Act, 1956
BSE	The Bombay Stock Exchange Limited
CAD	Canadian Dollar
CDSL	Central Depository Services (India) Limited
Crore	10 million
CSR	Corporate Social Responsibility
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
EGM	Extraordinary general meeting of the shareholders of our Company
EPS	Earnings per share, i.e., profit after tax for a Fiscal year divided by the weighted average number of equity shares during the Fiscal year
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
GoI	Government of India
HUF	Hindu Undivided Family
JPY	Japanese Yen
LIC	Life Insurance Corporation of India



<u>Term</u>	<u>Description</u>
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
O&M	Operation and Maintenance
PAN	Permanent Account Number allotted under the I.T. Act
PTC	PTC India Limited
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, NCT of Delhi and Haryana
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000
Supreme Court	Supreme Court of India
US\$ or USD or US Dollar	U.S Dollar
w.e.f	With effect from

Technical and Industry-Related Terms

<u>Term</u>	<u>Description</u>
AFC	Annual Fixed Cost
Bonds	Secured Non Cumulative Non Convertible Redeemable Taxable Bonds (R Series) in the nature of Debentures to be issued in Three Tranches Namely R1at 8.70%, R2 at 8.85% & R3 at 8.78%.
Bondholder / Debenture holder	The holder of bonds
BRRP/BREW	Bihar Rural Road Projects/Bihar Rural Electrification Works
CCEA	Cabinet Committee on Economic Affairs
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPSU	Central Public Sector Undertaking
CWC	Central Water Commission
Design energy	The quantum of energy which could be generated in a 90% dependable year with 95% installed capacity of the generating station
Deemed Date of Allotment	Date as specified in summary Term Sheet
Disclosure Document	Disclosure Document dated Jan 24 th , 2013 for Private Placement of Secured Non Cumulative Non Convertible Redeemable Taxable Bonds (R Series) in the nature of Debentures to be issued in Three Tranches Namely R1at 8.70%, R2 at 8.85% & R3 at 8.78%.
DPE	Department of Public Enterprises



<u>Term</u>	<u>Description</u>
DPR	Detailed Project Report
DRR	Debenture Redemption Reserve
Issuer/NHPC/Corporation /Company	NHPC Ltd.
MoEF	Ministry of Environment and Forest, Government of India
MU	Million Units
MW	Mega Watt
PFC	Power Finance Corporation Limited
PGCIL	Power Grid Corporation of India Limited
PPA	Power Purchase Agreement
REC	Rural Electrification Corporation Limited
Registrar	Registrar to the issue, in this case
RoR	Run-of-the-river
SCADA	Supervisor Control and Data Acquisition
SEB(s)	State Electricity Board(s) and their successor(s), if any, including those formed pursuant to restructuring/unbundling
SERC	State Electricity Regulatory Commission
The issue/The offer/Private Placement	Private Placement of Secured Non Cumulative Non Convertible Redeemable Taxable Bonds (R Series) in the nature of Debentures to be issued in Three Tranches Namely R1 at 8.70%, R2 at 8.85% & R3 at 8.78%.
THDC	Tehri Hydro Development Corporation Limited
Tripartite Agreements	Tripartite Agreements executed among the GoI, RBI and the respective State governments
Unit	1 KWh, i.e. the energy contained in a current of one thousand amperes flowing under an electromotive force of one volt during one hour



AUTHORITY TO THE ISSUE

The present issue of bonds is being made pursuant to the resolutions passed under Section 293(1)(a) & 293(1)(d) of the Companies Act, 1956 by the Members of the Company where the overall borrowing limit of NHPC was approved at Rs. 26,000 crore w.e.f. 15th September, 2004. It is in line of the resolutions passed by Board of Directors of NHPC in 355th meeting held on 05.01.2013. The proposed borrowing is within the overall borrowing limits of NHPC.

DISCLAIMERS

GENERAL DISCLAIMER

The Disclosure Document is neither a Prospectus nor a Statement in lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 issued vide Circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008 as amended and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 Issued vide CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 Dated October 12, 2012). This document does not constitute an offer to the public generally or subscribe for or otherwise acquire the bonds to be issued by NHPC Ltd. (the “issuer”/the NHPC/ “the company”) The document is for the exclusive use of institutions to whom it is delivered and it should not be circulated or distributed to the third parties. The Company certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

This Disclosure Document has not been filed with Securities & Exchange Board of India (SEBI). The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. The issue of Bonds being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this document.

DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has been made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.



DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Disclosure Document has been submitted to the National Stock Exchange of India Ltd. (hereinafter referred to as “NSE”) for hosting the same on its website. It is to be distinctly understood that such submission of the document with NSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer’s securities will be listed or continue to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Company. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER BY THE ARRANGERS

It is advised that the NHPC has exercised self due- diligence to ensure complete compliance of prescribed disclosure norms in this Disclosure Document. The role of the Arrangers in the assignment is confined to marketing and placement of the bonds on the basis of this Disclosure Document as prescribed by the NHPC. The Arrangers have neither scrutinized/vetted nor have they done any due-diligence for verification of the contents of this Disclosure Document. The Arrangers shall use this document for the purpose of soliciting subscription from the various investors in the bonds to be issued by the NHPC on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved, or vetted by the Arrangers, nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the NHPC. The Arrangers or any of its directors, employees affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this document.



A. ISSUER INFORMATION

a. Name and address of the following:

i. Registered Office of the Issuer

NHPC Ltd.
NHPC Office Complex,
Sector - 33, Faridabad - 121 003,
Haryana, India

ii. Corporate Office of the Issuer

NHPC Office Complex,
Sector - 33, Faridabad - 121 003,
Haryana, India

iii. Compliance Officer of the Issuer

Vijay Gupta
Company Secretary,
NHPC Office Complex,
Sector - 33, Faridabad - 121 003,
Haryana, India
Tel: +91 129 227 8421
Fax: +91 129 227 8018
E-mail: companysecretary@nhpc.nic.in, nhpcbondsection@gmail.com,

iv. CFO of the Issuer

A.B.L. Srivastava,
Director (Finance),
NHPC Office Complex,
Sector - 33, Faridabad, PIN - 121 003,
Haryana, India
Tel: +91 129 227 8021
Fax: +91 129 227 8025
Email: dir-fin@nhpc.nic.in

v. Arrangers of the instrument

Sl. No.	Name of Merchant Banker / Arranger	Sl. No.	Name of Merchant Banker / Arranger
1	AXIS Bank Ltd.	9	Kotak Mahindra Capital Company Ltd.
2	ICICI Bank Ltd.	10	HDFC Bank Ltd.
3	IDFC Ltd.	11	Yes Bank Ltd.



4	LKP Securities Ltd .	12	SPA Capital Advisors Ltd.
5	SBICAP Market Ltd.	13	Trust Investment Advisors Pvt. Ltd.
6	Darashaw & Company Pvt. Ltd.	14	A K Capital Services Ltd.
7	Edelweiss Financial Services Ltd.	15	I Sec PD Ltd.
8	Almondz Global Securities Ltd.		

vi. Trustee of the Issue

SBICAP Trustee Company Ltd

8, Khetan Bhavan,
5th Floor , 198 , J.Tata Road
Churchgate,
Mumbai 400202
Tel 022 43025555, Fax 02243025500

vii Registrar of the Issue

M/s RCMC Share Registry Pvt. Ltd.,
Ground Floor, B-106, Sector-2, Noida-201 301 (UP)
Tel: +91 120 4015 800, 4015 882
Fax: +91 120 2444 346
Email: shares@rcmcdelhi.com, rakesh@rcmcdelhi.com

viii Credit Rating Agencies of the Issue

- a) India Ratings & Research Pvt Ltd (A FitchGroup Company)
Wockhardt Tower Level 4
West Wing Bandra Kurla Complex (E)
Mumbai 400051
- b) ICRA Limited,
Building No. 8, 2nd Floor,
Tower A, DLF Cyber City, Phase-II,
Gurgaon – 122 002, India

ix Auditors of the Issuer

The Joint Statutory Auditors of the Company are:

- a) M/s S. N. Nanda & Co., New Delhi,
Chartered Accountants,
C-43, Pamposh Enclave,
Greater Kailash – I,
New Delhi – 110 048
- b) M/s Baweja & Kaul,



Chartered Accountants,
House No. 32, Sector-8,
Trikuta Nagar, Jammu,
Jammu & Kashmir – 180 012

c) M/s Singhi & Co.,
Chartered Accountants,
1-B, Old Post Office Street,
Kolkata – 700 001,
West Bengal

d) M/s Tiwari & Associates,
Chartered Accountants,
T-8, Green Park Extension,
New Delhi – 110 016

A brief summary of the business / activities of the Issuer and its line of business containing the following information:

i Overview

We are a Mini Ratna power generating company through conventional & non conventional sources. We are dedicated to the planning, development and implementation of an integrated and efficient network of power projects in India. We execute all aspects of the development of conventional & Non conventional sources, from concept to commissioning.

Our Total Installed Capacity is 5559 MW. We have commissioned 15 hydroelectric power stations completely and one Chutak H.E. Project of 44 MW (4 x 11) partially (Three units of 33 MW out of four units of this project have been commissioned in Nov'12). Our current total generating capacity after taking into account the downgrade of capacity ratings of Tanakpur Power Station is 5533.2 MW. Total installed capacity and total generating capacity includes two power stations with a combined capacity of 1,520 MW, constructed and operated through our Subsidiary, NHDC. Our power stations and hydroelectric projects are located predominantly in the North and North Eastern states of India in the states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Arunachal Pradesh, Assam, Manipur, Sikkim and West Bengal. Our Company and our Subsidiary company generated 18,683 MUs and 4,664 MUs of electricity, respectively, in Fiscal 2012. In Fiscal 2012, our Company and our Subsidiary sold 16,357 MUs and 4640 MUs of electricity, respectively.

We are presently engaged in the construction of 9 hydroelectric projects (including Chutak H.E. Project), which will increase our total installed capacity to 9797 MW. We are awaiting government sanction for a further five projects with an anticipated capacity of 5,115 MW. In addition, we are awaiting government sanction for certain joint venture projects with an anticipated capacity of 3,686 MW. Survey and investigation works are



being carried out to prepare project proposal reports for seven additional projects, totaling 2,485 MW of anticipated capacity.

We selectively form alliances with state governments to undertake project development. Pursuant to MoU with the government of Madhya Pradesh, we incorporated our Subsidiary on August 1, 2000 to take advantage of the hydroelectric potential of the Narmada river basin. The Company has been actively pursuing business development and has entered into various agreements for expanding its business portfolio. NHPC is keen to harness the hydropower potential in the states through joint venture. The company has been actively pursuing business development and has entered into various arrangements for expanding the business portfolio. Five projects, totaling 3686 MW are to be implemented as Joint Ventures, Loktak Downstream Hydroelectric Corporation Limited, A Joint Venture Company, has been incorporated for executing the 66 MW Loktak Downstream Project in Manipur with 74% shareholding by NHPC and 26% by the Government of Manipur. Another Joint Venture Company, Chenab Valley Power Projects (Pvt) Ltd., has been formed in which NHPC, JKSPDC and PTC are partners in 49:49:2 basis for taking up three projects totaling 2,120 MW in the Chenab River basin in Jammu and Kashmir. The Promoters' Agreement for implementation of Tipaimukh HE (Multipurpose) Project (1500 MW) in Manipur has been signed on 22.10.2011 with shareholding of NHPC, SJVNL & Govt. of Manipur being 69%, 26% & 5% respectively. MoP vide order dt.10.12.2012 replaced SJVNL and induct NEEPCO for the 26% of shareholding. Process of formation of the Joint Venture Company is underway. NHPC has signed one more MOU for a joint venture with OHPC and the Government of Orissa.

We have experience in the design, development, construction and operation of hydroelectric projects. We execute and manage all aspects of projects, from front-end engineering design to commissioning and operation and maintenance of the project. We have also been engaged as a project developer for certain projects, where our scope of work is to design, develop and deliver a hydroelectric power station to a client on an agency basis. We also provide contract-based technical, management advisory and consultancy services to domestic and international clients.

Based on our audited financial statements, in Fiscals 2010, 2011 and 2012, we generated total income of Rs. 4,892.02 crores, Rs. 4,932.11 crores and Rs. 6784.27 Crore respectively, and net profit of Rs.2,090.50 crores, Rs. 2,166.67 crores and Rs. 2771.77 crore respectively. In Fiscal 2012, our average selling price of electricity was Rs. 2.98 per unit (after adjustment of components of earlier year sales). In Fiscal 2012, we derived Rs. 5, 509.65 crore or 81.21% of our audited total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements. In Fiscal 2013, based on Unaudited Financial Statements up to 30.09.2012, the total income was Rs.3679.91 crores and the net profit for the period was Rs.1, 453.19 crores. In this period, we derived Rs. 3099.85 crores or 84.23% of our total income from sale of energy.

Our operational efficiency has been reflected through high average capacity indices for our power stations, which are now currently measured by the Plant Availability Factor (PAF). The average capacity indices for our Company for Fiscals 2010, 2011 and 2012 were 84.10%, 85.20% and 83.30% respectively. For Fiscal 2013, the cumulative Plant



Availability Factor (PAF) up to 31.12.2012 was 89.10%. These indices are higher than the cumulative capacity index levels, which are required under CERC regulations and our higher efficiency parameters, with pursuant to the tariff policy in place for Fiscal 2009-Fiscal 2014 entitled us to certain incentive payments.

We have obtained BS OHSAS 18001:2007, ISO 9001:2008, ISO 14001:2004 and PAS 99: 2006 certifications from the BSI Management Systems, all of which are valid until July 25, 2014.

In recognition of our performance and our consistent achievement of targets as negotiated under the MoUs that we enter into with the GoI on an annual basis, the GoI has rated our performance as “Excellent” from Fiscal 1995 through to Fiscal 2006, “Very Good” in Fiscal 2007, “Excellent” in Fiscal 2008, “Very Good” in Fiscal 2009, 2010, 2011 & 2012. Also, in recognition of our performance, we were designated as a Mini-Ratna Category-I public sector undertaking in April 2008. As a Mini-Ratna Category-I entity, we will have greater autonomy to undertake new projects without GoI approval, subject to an investment ceiling of Rs. 500 crore set by the GoI.

The President of India, and its nominees, before the Initial Public Offer held 100% of the issued and paid-up Equity Share capital of our Company. After the Issue, the President of India still holds 86.36% of the post-Issue paid-up Equity Share capital of our Company. Under our Articles of Association, the GoI has the power to appoint all of our Directors.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Established track record in implementing hydroelectric projects

We have experience in the development and execution of hydroelectric projects. We have managed the development and implementation of 15 hydroelectric projects, including two through our Subsidiary, NHDC. We have completed projects that are located in the geotechnically sensitive Himalayan terrain and in inhospitable areas that are often difficult to access. We completed the Chamera-II and Dhauliganga-I power stations and the Indira Sagar and Omkareshwar projects ahead of schedule. We have worked with the GoI, various state governments, foreign governments and international companies to complete projects. We believe our proven execution capability is a key advantage for securing projects. We also believe that our execution model for projects benefits from our cost control and risk management expertise and that our experience and expertise in project implementation provide us with significant competitive advantages.

Long term power purchase agreements with our customers

Most of the output from our installed capacity is contracted for through long term PPAs. At the time we make investment decisions on new capacity or expansion of existing capacity, we typically have commitments for the purchase of the output.



In Fiscal 2012, we derived Rs. 5509.65 Crore or 81.21% of our total income from the sale of energy to SEBs and their successor entities, pursuant to long term power purchase agreements. These billings to state entities are currently secured through letters of credit generally entered into pursuant to tripartite agreements among the GoI, the RBI and respective state governments. In addition, we can secure payment by regulating the power supply to the defaulting entity or recovering payments directly from GoI Central Plan assistance funds that are given to the concerned state governments.

Strong operating performance

We measure our Power Station's efficiency in terms of Plant Availability Factor (PAF) (2009 onwards) and Generation achieved. PAF and Generation achieved is compared to Normative Annual PAF (NAPAF) and Design Energy (D.E.) of Power Station respectively.

In FY 2012-13 (up to 31.12.2012), our Company (excluding generation from subsidiaries) has achieved actual Generation of 16422 MU and the Cumulative PAF of 89.1% . Both the parameters are well above the normative values (up to 31.12.2012) as fixed by CERC. As such company is entitled for incentive as per CERC regulation.

We do conditioning monitoring of our plant equipments regularly for their preventive maintenance including required modernizations which increases the efficiency of our plants and equipment. We believe that our ongoing monitoring and maintenance techniques offer us a competitive advantage in an industry where reliability and maintenance costs are a significant determinant of profitability.

Competent and committed workforce

We have a competent and committed workforce. Our senior executives have experience in our industry and many of them have been with us for a significant portion of their careers. We believe that the skill, industry knowledge and operating experience of our senior executives provide us with a competitive advantage as we seek to expand in our existing markets and successfully enter new geographic areas. We invest significant resources in employee training and development and our uniform operational systems, processes and staff training procedures enables us to replicate our operating standards across all our projects and stations.

Strong in-house design and engineering team

We have an in-house team for project design and our engineering capabilities range from the concept stage to the commissioning of our projects. This team is supported by international and domestic project consultants. Our Company has in-house engineers with expertise in a range of engineering disciplines, particularly hydrology, electrical, civil and structural design, hydro-mechanical and geotechnical design. Our engineers have specialized tunnel design experience and are able to design for variable and unpredictable geological conditions. Our engineers also have experience with a variety of specialized analysis, design and computer aided design software applications.



Our Strategy

Our corporate vision is to become a world class, diversified and transnational organisation dedicated to sustainable development of power through conventional and non conventional sources with an environmental conscience. The following are our strategies to achieve this vision:

Expand our installed capacity through Joint Ventures and MoUs

We seek to expand our installed capacity by tapping into new geographic markets where there is significant demand for capacity expansion through hydroelectric generation. Presently we are engaged in the construction of 9 hydroelectric projects in the states of Jammu & Kashmir, Himachal Pradesh, Arunachal Pradesh, Assam and West Bengal, which is expected to increase our total installed capacity by 4,238 MW. We are awaiting government sanction for a further five projects with an anticipated capacity of 5,115 MW. In addition, we are awaiting government sanction for certain joint venture projects with an anticipated capacity of 3,686 MW. Survey and investigation works are being carried out to prepare project proposal reports for seven additional projects, totaling 2,485 MW of anticipated capacity.

We are also prospecting for thermal power projects through the joint ventures route in the states of Bihar, Chattisgarh and Andhra Pradesh as well as diversifying our portfolio by entering in to wind energy as well a solar energy projects.

Promote and develop our consulting and advisory services

NHPC is providing consultancy services in the following fields of hydro power – river basin services, survey work, design and engineering, geological and geotechnical studies, hydraulic transient studies, hydrological studies, contract management, construction management, equipment planning, underground construction, testing, commissioning and operation and maintenance.

The major consultancy assignments undertaken by NHPC include assignments from Central and State Government agencies like State Electricity Boards and Public Sector Undertakings.

We aim to continue to deliver advisory services to clients and government entities in India and abroad. Our consultancy services are registered with the international financial agencies and the Central Water Commission as a Consultant in the area of hydro power.

Continue to expand our international activities

We intend to continue to expand our international operations and further exploit the potential hydropower opportunities available internationally by leveraging our existing relationships developed through our past international consultancy assignments.



NHPC was entrusted with the work of preparing DPRs of Chamkharchhu-I H.E. Project (770 MW) and PFR of Kuri Gongri H.E. Projects in Bhutan by the Ministry of Power. We have submitted the DPR & PFR of both the projects.

In March 2010, an agreement was signed between NHPC and the Department of Energy, Royal Government of Bhutan for providing engineering consultancy services for pre-construction activities at the Mangdechhu H.E. Project (720 MW) in Bhutan which has been completed successfully. Further, NHPC has been engaged as the Design & Engineering Consultant for the execution of Mangdechhu H.E. Project.

NHPC has undertaken the additional investigations and preparation of updated DPRs for the 1200 MW Tamanthi and the 642 MW Shwezaye hydro power and multipurpose projects in Myanmar, as a consultancy assignment with the Ministry of External Affairs (MEA), Government of India. Updated DPR of these projects has been submitted.

NHPC has also been assigned the work of RMU of Varzob-I H.E. Project in Tajakistan under a tripartite agreement signed between MEA, BHEL & NHPC. NHPC has completed it successfully.

Maintain our focus in environmental and corporate social responsibility

We have undertaken a number of environmental and corporate social responsibility initiatives and intend to expand our involvement in these areas. We aim to conduct our business operations in a manner that promotes social responsibility, sustainable development and respect towards the environment.

Invest in technology to modernize our operations and improve our project operating performance

We intend to reduce our operating costs and improve our project-operating performance by investing in technologically advanced equipment and methods and by devoting resources to modernize our power stations.

Our Operations by Segment

Our core business is the generation and sale of hydroelectricity. We also provide contract-based services including technical, management advisory and consultancy services as well as project execution on contract basis. The table below shows our total restated income by business segment:

Total income by business segment (Standalone)

(Rs. in Crore)

Power Stations	Fiscal 2013 (Up to 30.09.2012)	Fiscal 2012	Fiscal 2011	Fiscal 2010
Sales (Net)	3099.85	5509.65	4046.59	4153.21
Revenue from Contracts, Project Management and Consultancy Works	97.04	145.04	178.66	113.08



Interest on Power Bonds	47.84	113.41	137.35	161.31
Other Income	435.18	947.31	542.88	384.42
Total	3679.91	6715.41	4905.48	4812.02

Our Hydropower Generation Business

Our core business operations involve the generation and sale of hydroelectricity. Our projects are spread across different stages of development from the early stages of survey and investigation to operation and maintenance.

Our Project Development Process

The GoI and the state government identify the geographic areas where additional electricity is needed by determining existing and projected installed capacity and projected demand for electricity. Factors such as economic growth, population growth and industrial expansion are used to determine projected demand. To gauge the expected supply of electricity, the capacities of the existing power stations and the projects under construction or development are studied. If the GoI and the respective state government agree that a hydroelectric project is necessary and that we are the most appropriate organization to develop the hydroelectric project, we then enter into an MoU or agreement with the concerned state government where the hydroelectric project is proposed to be located. We then begin the process of obtaining the necessary authorisations for the hydroelectric project from the concerned authorities. As per Govt. of India three stage Clearances process for the hydro projects developments are as under :

Stage-I: Preparation of Pre-Feasibility Report/Feasibility Report

Stage-II: During this stage Detailed Project Report and EIA/EMP report submitted for obtaining various clearances from the concerned Ministry/agency.

Stage-III: Final sanction and project construction

The hydroelectric project proposal is presented to the CCEA for its final sanction. After receiving the sanction of the CCEA, Major works related to construction of the project are awarded and construction can begin at the project site.

Completed Projects

We have set forth below the details of all our completed projects, including joint venture project:

(Rs. in crore)



Power Station	State	Installed Capacity (MW)	Year of Commissioning	Revenue Generated in Fiscal 2012 from Sale of Power (Rs. in Crore)
Baira Siul	Himachal Pradesh	180	1981	130.79
Loktak	Manipur	105	1983	102.74
Salal	Jammu & Kashmir	690	1987/1996	679.20
Tanakpur (1)	Uttarakhand	120	1992	110.40
Chamera I	Himachal Pradesh	540	1994	404.22
Uri I	Jammu & Kashmir	480	1997	703.44
Rangit	Sikkim	60	1999	86.42
Chamera II	Himachal Pradesh	300	2004	499.31
Dhauliganga	Uttarakhand	280	2005	377.52
Dulhasti	Jammu & Kashmir	390	2007	1525.16
Teesta V	Sikkim	510	2008	626.91
Sewa II	Jammu & Kashmir	120	2010	216.39
Total		3,775		5462.50
Add : AAD				47.15
Total Sales				5509.65
Completed Projects with NHDC				
Indira Sagar	Madhya Pradesh	1,000	2005	688.90
Omkareshwar	Madhya Pradesh	520	2007	595.77
Total		1,520		1284.67
Grand Total		5,295		6747.17

(1) Derating of 94.2 MW from September 1996 vide CEA letter no. DMLF/PS/9/7/96-Vol IV/3530-85

(2) In addition to above, we have commissioned Chamera-III (231 MW) and Chutak Project (33 MW) (partial) in fiscal 2013.

Projects under construction

We have set forth below the details of all our hydroelectric projects, which are currently under construction:

Ongoing Projects & States	Installed Capacity (MW)	Price Level	CCEA Approved Cost (Rs. in crore)	Price Level	Anticipated Cost (Rs. in Crore)
Chutak (J&K)	44*	Dec'05	621.26	Jul'10	893.77
Nimoo Bazgo (J&K)	45	Dec'05	611.01	Mar'11	936.1
Teesta Low Dam III (W.B.)	132	Dec'02	768.92	Jul'10	1628.39
Uri II (J&K)	240	Feb'05	1,724.79	Sep'11	2080.82
Parbati III (H.P.)	520	May'05	2,304.56	May'05	2304.56



Teesta Low Dam IV (W.B.)	160	Mar'05	1,061.38	Jul'10	1501.75
Parbati II (H.P.)	800	Dec'01	3,919.59	Aug'11	5365.7
Subansiri Lower (Ar.Pradesh/ Assam)	2000	Dec'02	6,285.33	Dec'10	10779.36
Kishanganga (J&K)	330	Dec'09	3,642.04	Dec'09	3642.04
Total	4271		22,344.51		29,132.49

- Three units of 33 MW have been Commissioned w.e.f. 29.11.2012

Projects Awaiting Clearances

The hydroelectric projects including our joint venture projects detailed below are awaiting final sanction from the CCEA:

Projects	State	Proposed Installed Capacity (MW)
Kotli Bhel Stage IA(1)	Uttarakhand	195
Dibang(2)	Arunachal Pradesh	3,000
Teesta IV	Sikkim	520
Tawang I	Arunachal Pradesh	600
Tawang II	Arunachal Pradesh	800
Total (A)		5,115
Joint Venture Projects		
Loktak Downstream	Manipur	66
Pakal Dul and other hydroelectric projects in the Chenab River Basin(3)	Jammu & Kashmir	2,120
Tapaimukh	Manipur	1,500
Total (B)		3,686
Grand Total (A + B)		8,801

- 1) MOEF vide letter dated 13.10.2011 accorded Stage I Forest Clearance. CEA has extended the validity of concurrence till 02.10.2014. Updated draft Material for PIB recommendation for investment sanction of Kotli Behl -1A has been sent to MOP. PIB/CCEA is under process .
- 2) Public hearing of the project are pending with Arunachal Pradesh State Pollution Control Board (APSPCB) . NHPC is pursuing the Matter vigorously with APSPCB for conducting the public hearings at the earliest.
- 3) All Statutory clearances including MOEF Clearances are available and have been transferred to JV.

Projects under Survey and Investigation

The following hydroelectric projects are under survey and investigation for preparation of DPR:



Project	State	Proposed Installed Capacity (MW)
Karmoli Lumti Tulli	Uttarakhand	55
Garba Tawaghat	Uttarakhand	630
Chungar Chal	Uttarakhand	240
Lachen	Sikkim	210
Bursar	Jammu & Kashmir	1,020
Dhauliganga Intermediate*	Uttarakhand	210
Goriganga IIIA*	Uttarakhand	120
Total		2,485

*: Implementation Agreement between NHPC and Govt. of Uttarakhand for two projects namely Dhauliganga Intermediate (210 MW) and Goriganga IIIA (120 MW) in Uttarakhand is under process.

Contracts, Project Management and Consultancy Works Business

We believe that our industry leadership as well as quality credentials puts us in a strong position to offer a wide range of consultancy services in the field of hydropower. Our consultancy services division was set up in 1993 to offer consulting and contractual services to meet requirements for different project types.

We aim to continue to deliver advisory services to clients and government entities in India and abroad. Our consultancy services are registered with the international financial agencies and the Central Water Commission as a Consultant in the area of hydro power.

Our clients include central and state government agencies in India including SEBs and PSUs, as well as a number of foreign governments and private sector entities. From a marketing perspective, consultancy contracts also allow us to establish a relationship with potential future clients and, in the case of project feasibility studies, to become involved at an early stage in turnkey projects for which we may later submit bids.

Consulting/Advisory Services for Hydropower Projects

NHPC is providing consultancy services in the following fields of hydro power – river basin services, survey work, design and engineering, geological and geotechnical studies, hydraulic transient studies, hydrological studies, contract management, construction management, equipment planning, underground construction, testing, commissioning and operation and maintenance.

We also provide specialist consultancy services in relation to training and human resource development.

Turnkey Agency Contracts



We have undertaken certain international agency contracts under the direction of GoI. These projects are undertaken in the spirit of cooperation with foreign governments and also to broaden our international experience. The status of various turnkey agency projects undertaken by our consultancy services division is set out below:

Project	Country/State/Union Territory	Installed/ Proposed Total Capacity (MW)	Status
Devighat	Nepal	14.10	Commissioned
Kurichhu	Bhutan	60.00	Commissioned
Kalpong	India (Andaman & Nicobar Islands)	5.25	Commissioned
Sippi	India (Arunachal Pradesh)	4.00	Commissioned
Kambang	India (Arunachal Pradesh)	6.00	Commissioned
Total		89.35	

Specialized Government Agency Works

We act as an agency for the implementation of rural road development and rural electrification programs in India. These projects are usually undertaken on the request of the GoI for social welfare and development purposes. We earn fixed agency fees from these projects, as determined mutually by GoI and our Company.

Specialized government agency works we undertake include:

Client	Services Rendered
REC Limited	<p>We implement rural electrification works under the Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) in various states in India for fixed agency fees of 9-12% on the cost of the project. We have been allocated 27 districts in five states of West Bengal, Bihar, Jammu & Kashmir, Chhatisgarh and Odisha at an estimated cost of Rs. 2800 crores.</p> <p>The Revised scope of work includes electrification of 29249 villages (9310 unelectrified / de-electrified (UE/DE) and 19939 partially electrified (PE) villages) and providing service connections to 20.74 lakhs. BPL households. NHPC is also executing 66 KV transmission line in the Leh and Kargil districts of Jammu and Kashmir under RGGVY.</p> <p>As on 31.12.2012, the cumulative achievements for UE/DE villages, PE villages and BPL connections was 9115, 17589 and 18.31 lakhs respectively.</p>
Ministry of Rural Development, GoI	<p>NHPC has signed a MOU with the Ministry of Rural Development, Government of India and the Government of Bihar for constructing rural roads under the Pradhan Mantri Gram Sadak Yojna (PMGSY). These roads in six districts of Bihar will also be maintained by NHPC for 5</p>



	years. Under this scheme, 759 roads of 3232.30 km with a awarded cost for Rs. 1728.61 Crore are under implementation out of which 667 roads of 2770.23 Km (full length) with a awarded cost of Rs. 1533.29 Crore have so far been completed as on 31.12.2012.
--	--

Design and engineering

The engineering and design of a hydroelectric project requires input from a number of specialist engineering disciplines, particularly, civil and hydro-mechanical design, geological and geotechnical and electrical and mechanical design.

Civil and hydro mechanical design

This aspect of the project includes:

Developing detailed site plans, including the civil works layouts.

Reviewing hydrological data available and supervising field investigations and hydrological studies.

Assessing the impact of soil erosion and sediment on the proposed hydroelectric projects.

Geological and geotechnical engineering

The geotechnical engineering process involves the collection of sufficient qualitative and quantitative geological, geotechnical and construction material information to determine basic design parameters for the major civil structures of the project.

Electrical and mechanical design

This involves assessing the electrical and mechanical needs of the project and includes:

Evolving optimised designs for electromechanical works of projects under planning and execution.

Providing technical data and cost estimates on electrical and mechanical equipment.

Preparing operation and maintenance manuals for electromechanical works.

Contract and construction management

Our role as contract and construction manager is to organize and supervise the construction of the project. We determine the number of contracts that are awarded per project after reviewing the size and capacity of the project. In general, one or two contracts for civil works, one contract for the hydro mechanical components and one contract for the electromechanical components of each project are awarded.

Operation and maintenance



Once the power station is commissioned and becomes fully operational the operation and maintenance division is responsible for the orderly running of the project. This division maintains a database of generation parameters for statistical review and analysis that can be used to optimise generation along with reducing downtime of equipment. This division also analyses data to forecast problems and advises on remedial measures.

Automation of stations

Presently, the operations of all the power stations are either semi or fully automated. Our Uri, Chamera II, Dhauliganga and Dulhasti power stations are equipped with advanced distributed control systems along with SCADA systems. We are presently implementing SCADA in the Baira Siul, Loktak, Tanakpur, Rangit and Chamera I power stations. SCADA allows for better monitoring and control of the power station.

Sale of Energy

Tariffs

Tariffs for each of our hydropower stations are determined by the CERC. A new tariff policy was issued by CERC pursuant to notification no. L-7/145(160)/2008-CERC dated January 19, 2009, and relates to the Control Period (CP) from April 1, 2009 to March 31, 2014.

Tariff are determined by reference to AFC, which comprise of return on equity, depreciation, interest on loan, interest on working capital, operation & maintenance expenses. The AFC is recoverable as primary energy charges and capacity charges. Recovery of capacity charges is dependent on the actual availability of our machines for generating power. Capacity is determined by reference to the NAPAF, which has been prescribed for each project based on the nature of the project where as Energy charge is recoverable on the basis of actual generation.

We are entitled to receive incentives for achieving a plant availability factor greater than NAPAF as well as for generating energy in excess of the design energy level of the plant.

Power Purchase Agreements

The GoI allocates the output of each of our stations among the station's customers. Each of our power stations has PPAs with its customers. Under the terms of the PPAs, we are obliged to supply electricity to SEBs or their successor entities, private distribution companies and other GoI entities in accordance with the terms of the allocation issued by the GoI from time to time. The power supplied to customers is billed as per tariff regulations issued by CERC. The PPA is valid until it is extended, renewed or replaced by another agreement on such terms and for such further period of time as the parties agree.

The MoUs signed with respective state governments where power station is situated we require to provide 12.0% of the energy that we generate to the respective state free of



cost. As per the guidelines of MoP, GOI, we are not permitted to offer this contracted capacity to any third person for the duration of such MoUs.

The term of validity of the PPA is generally for five years (now in some cases it have been changed to life of the project i.e. 35 years) from the date of the commercial operation of the last unit of the project, provided that such PPAs may be renewed or replaced on such terms and for such further time as the parties may agree. However, the provisions of a PPA continue to operate until such PPA is formally renewed or replaced.

The tariffs charged and the conditions for the supply of energy, as well as the levy of surcharge and rebates are determined according to the tariff regulations issued by the CERC or policies of GoI from time to time. Further, settlement of any disputed current dues is determined according to the directives of the CERC or the GoI as issued from time to time.

The parties to a PPA are not liable for any claim for loss or damage arising out of failure to carry out the terms of such PPA to the extent that such failure is due to events such as riot, strike, lock out, fire, explosion, flood, drought, earthquake, war or other forces, accidents or force majeure events and are beyond the control of either party. Any party claiming the benefits of this provision holds the burden of proving that the event occurred and damage was suffered.

All questions or disputes between parties in connection with a PPA, except the extent of power vested with the respective RPC(s), are settled through arbitration in accordance with the provisions contained in the Electricity Act, 2003 and the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto, in the event such differences cannot be settled through conciliation prior to arbitration.

Recoveries through the One-Time Settlement Scheme (“One Time Settlement”)

NHPC has previously had problems recovering payments from SEBs and other state government entities; however, in 2001, the MoP, and the state entities established a scheme of One Time Settlement. Pursuant to the One Time Settlement, the GoI, on behalf of the central sector power utilities, executed Tripartite Agreements with the RBI and the state governments to effectuate a settlement of overdue payments, by way of tax-free power bonds, owed to NHPC by the SEBs or their successor entities or other state government entities with provisions for incentives for future timely payment.

Under these agreements, the overdue amounts outstanding as of September 30, 2001 were securitised by the issue of tax-free power bonds and long term advances amounting to Rs. 2,818.04 crore against outstanding principal dues, late payment surcharge, and conversion of bonds issued by the SEBs after March 1, 1998. Tax free interest on the power bonds and long- term advances are payable to NHPC at a rate of 8.5% p.a payable on half yearly basis. These bonds mature and the long-term advances are payable in various stages, starting from October 1, 2006 until April 1, 2016.

Research and Development



Research and development is key to our continued success in engineering and construction. Our research and development activities are focused on anticipating our future needs and those of our agency clients and making us more competitive. We also seek to implement the latest technological advances and developments at our project sites. Our research and development activities are concentrated primarily on studies for elongation of operating life of underwater components, such as turbines, by mitigating silt erosion.

Clean Development Mechanism

We are in the process of securing benefits from our hydropower projects under the clean development mechanism (“CDM”) scheme pursuant to the United Nations Framework Convention on Climate Change of 1994. Under this scheme, an industrialised country that wishes to get credits from a CDM project must obtain the consent of the developing country hosting the project to claim such credit and confirm that the project will contribute to sustainable development. Then, using methodologies approved by the CDM Executive Board, the applicant must make the case that the carbon project would not have happened absent such benefits, and must establish a baseline estimating the future emissions in the absence of the registered project. The case is then validated by a third party agency, called a Designated Operational Entity, to ensure the project results in real, measurable, and long-term emission reductions.

Hydropower projects registered by the CDM Executive Board are eligible to earn certified emission reduction (“CER”) credits. CER credits can be sold to industrialised countries that are required to meet their green house gas emission reduction targets under the terms of the Kyoto Protocol Treaty of 2005.

Nimoo Bazgo (3X15 MW) and Chutak (4X11 MW) Projects located in Jammu & Kashmir state have been registered by the CDM Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). The Nimoo Bazgo and Chutak projects shall annually reduce emissions of approximately 187,893 metric tonne CO₂ equivalent and 166,831 metric tonne CO₂ equivalent. However, CDM Registration of these projects is being revised under the new isolated grid methodology which may be suitably fit in these projects, to incorporate the change in connectivity of these projects from National Grid to Local Isolated Grid.

NHPC’s Teesta-V Power Station has been successfully validated under the Voluntary Emission Reduction Scheme. Verification of the generation for the period from April 2008 to September 2009 and for the period of October 2009 to May 2012 has been completed. Approximately 2 Crores VER is expected to be issued within a period of 10 years. Crediting period shall be renewed for another 10 years. Sale of VER is under process.

We are pursuing CDM registration for additional projects and are investigating other carbon trading initiatives such as voluntary emission reduction for our projects.



IT and Communications

We make use of information and communication technologies for the execution and management of our projects and power stations. We consider information technology to be a strategic tool for us to improve our overall productivity and efficiency. We have successfully implemented an Enterprises Resource Planning (ERP) software solution to help in managing optimum utilization of generating assets, accelerated development of construction projects thereby improving quality, productivity and profitability of the organization. The key Modules of ERP are live in all over 54 locations which include all regional offices, construction projects generating power stations and corporate office as well as other locations.

Software

Our electromechanical design division has developed a suite of software, Jal Vidyut, for in-house use in connection with power potential assessment, preliminary power house sizing and speed and pressure rise computations. DPRs for several projects have been successfully submitted to the CEA for TEC using data computed by the software. This suite of software was developed in an effort to standardize engineering practice in our organisation. We intend to continue to refine this software to increase its utility to our engineering team.

Insurance

We rely upon insurance coverage obtained by our contractors to insure damage and loss to our hydroelectric projects during the construction phase. Our contractors take third-party insurance in respect of risks associated with our assets and infrastructure that are ancillary to our stations during the construction phase.

We insure the risks associated with damage due to fire, storm, cyclone, flood, earthquake, landslide and terrorist activities to our power stations once they have been commissioned and are operating. We have obtained “Mega Risk Insurance Policy”, “Comprehensive Package Insurance for CPM Equipments” & “Third Party Insurance” Policies in respect of all O&M Power Station w.e.f. 31.07.11.

Human Resources

Our Company had 10,566 employees as of 31.12.2012. Out of this, 5,049 employees were engaged in operation and maintenance areas of our business. We believe that a well-trained and experienced team of employees is crucial to our continued growth and success. In this regard, we are committed to recruiting and retaining the best talent in the industry, providing them the best training and development facilities and remunerating our employees at levels that will encourage them to perform to their best capability.



Employee Training and Development

We encourage our employees to develop management and technology skills through internal programs, industry affiliations and external certifications. The training and development needs of our staff are assessed on a regular basis. We have a comprehensive training policy for the development of our employees.

Unions

The majority of our workers are affiliated with worker unions. We believe that we have harmonious relationships with our worker unions. Most of our generating stations have unions that are registered under the Trade Union Act, 1926. Most of these unions are affiliated with one of the following - All India NHPC Employees' & Workers' Council, All India Workers' & Employees' Federation, NHPC Karamchari Mahasangh and NHPC Employees' Front. We have previously had instances of sporadic and localised protests. These have not led to any substantial generation loss. Wage negotiations with our unions is ongoing process and a new wage agreement has been entered into with respect to unionized employees.

Environmental Compliance

NHPC is sensitive towards environment and well being of people. Prior to project construction, detailed Environmental Impact Assessment (EIA) studies are carried out based on which Environmental Management Plans (EMP) are formulated, as listed below, to mitigate any adverse impact on man and environment.

1. Voluntary Afforestation (VA),
2. Biodiversity Management,
3. Catchment Area Treatment,
4. Restoration of Muck Disposal area,
5. Restoration of construction areas and quarry sites,
6. Public Health Management,
7. Disaster Management plan,
8. Green Belt Development plan
9. Environmental Monitoring
10. Fishery Management Plan
11. Resettlement and Rehabilitation Plan.

Based on EIA, EMP and Public Hearing, environmental clearance is issued by MoEF.

As far as adverse impacts on people are concerned, a Resettlement and Rehabilitation (R&R) Plan is formulated as a part of EIA/EMP report, which is based on a detailed socio-economic survey. This R&R Plan is either based on the National R&R Policy or State R&R Policy, wherever applicable. R&R Plan is implemented through the concerned State Government. Apart from this R&R Plan, a comprehensive Community and Social Development Plan is also formulated for the welfare of the project affected people and other local population living nearby the project area. Compensation for land



and properties of project affected people is provided at the rate fixed by the concerned State Government.

Corporate Social Responsibility and Rehabilitation and Resettlement

We are committed to our Corporate Social Responsibility (“CSR”) efforts and strive to demonstrate environmentally as well as ethically conscious behaviour. We seek to incorporate best practices in corporate governance, employee welfare, and environmental commitment, and have taken various initiatives towards community development. In our endeavour to align our business operations with social values, we have sanctioned a budget for various large-scale community empowerment and capacity building initiatives to be undertaken in and around our power stations and construction sites pursuant to provisions made in the DPRs.

Our resettlement and rehabilitation program aims to improve the economic status of people displaced or otherwise affected adversely by our projects. We are committed to safeguarding the interests of PAPs through implementation of our Rehabilitation and Resettlement Policy, 2007, (“R&R Policy”) which is based on the National Resettlement and Rehabilitation Policy, 2007 (“NRRP”) of the GoI.

Our R&R Policy aims to provide PAPs with an adequate rehabilitation package beyond monetary compensation. This includes active and transparent participation of PAPs in deciding their compensation packages, compensation for those who do not have a legal or recognised right over the land on which they depend for subsistence, continuity in livelihood options after resettlement, quantification of costs and benefits that will accrue to society (as to the desirability and justifiability of each project), expeditious implementation of the rehabilitation process and special care for vulnerable sections of society.

Recent initiatives towards socio-economic development in connection with our power stations and projects, including initiatives under our R&R Policy for the benefit of PAPs, include the following:

Construction, widening and maintenance of roads and bridges; Afforestation, catchment area treatment, and fisheries management; Development of irrigational facilities, water supply, and drainage facilities; Creation of botanic parks and biodiversity conservatories; Rural electrification works; Organisation of educational, career guidance and vocational training programs, awareness programmes on horticultural and agricultural practices, healthcare programs and promotion of sports and culture; organisation of health checkup camps, vaccination and immunization works, free distribution of medicines; and on the occasions, our Company has assisted in reconstruction of flood-affected villages



Competition

As of December 31, 2012, total installed capacity of hydroelectric projects in India was approximately 39,339 MW. Our Company, with an installed capacity of 4039 MW, represents approximately 10.27% of the capacity share. Combined with NHDC's installed capacity of 1,520 MW, we represent a capacity share of 5559 MW approximately 14.13%. In Fiscal 2013 (up to 31.12.2012), our Company generated 16422 MUs of electricity. Some of the other players in this industry are Bhakra Beas Management Board ("BBMB"), generation companies of the various states of India, such as, MAHAGENCO, Andhra Pradesh Generation Company ("APGENCO"), Satluj Jal Vidyut Nigam Limited, which is a joint venture between the GoI, the government of Himachal Pradesh and Tehri Hydro Development Corporation Limited ("THDC"), which is a joint venture between the GoI and the government of Uttar Pradesh, along with other private players. Due to the historical imbalance between demand and supply in the Indian power sector, there has generally been a stable market for power generation companies in India. However, the Electricity Act, 2003, removes licensing requirements for thermal generators, provides for open access to transmission and distribution networks and removes restrictions on the right to build captive generation stations. These reforms provide opportunities for increased private sector involvement in power generation. Specifically, the open access reforms, by which generators will be able to sell their output directly to distribution companies and, ultimately, directly to consumers, may increase the financial viability of private investment in power generation.

While under the Electricity Act, 2003, CEA approval and consent of relevant state government is required to set up a hydropower project, the increased opportunities for private investment in the market described above, when combined with available hydro potential in India and the resulting low costs of production, may lead to increased investment in and competition in the hydroelectric sector in the future.

ii Organisation Structure



- Current Maturities of Long Term Borrowing	1239.93	1188.34	866.73	849.57
Net Fixed Assets	18580.94	16368.32	17100.89	16394.93
Non Current Assets	42066.84	40827.75	38215.55	34814.00
Cash and Cash Equivalents	4856.26	6003.97	5350.08	6597.38
Current Investments	250.74	250.74	253.59	255.56
Current Assets	11828.11	11932.01	9364.64	8321.79
Current Liabilities	6536.51	6790.14	6145.20	4417.84
Net Sales	3099.85	5509.65	4046.59	4218.90
EBITDA	2013.10	4752.02	4160.75	3892.41
EBIT	474.96	3859.28	3244.01	2859.16
Interest	184.47	342.24	366.60	457.08
PAT	1453.19	2771.77	2166.67	2090.50
Dividend Amounts	-	861.05	738.04	676.54
Current Ratio	1.81	1.76	1.52	1.88
Interest Coverage Ratio	15.41	15.26	12.37	10.08
Gross Debt / Equity Ratio	0.64	0.67	0.59	0.60
Debt Service Coverage Ratios	5.87	5.11	3.01	2.62

Gross Debt: Equity Ratio:

Before the issue of debt securities (30.09.2012)	0.64
After the issue of debt securities	0.69

iv Project cost and means of financing: At present 9 nos of projects are under construction:

Ongoing Projects & States	Installed Capacity (MW)	Anticipated Cost
		(Rs. in Crore)
Chutak (J&K)	44*	893.77
Nimoo Bazgo (J&K)	45	936.1
Teesta Low Dam III (W.B.)	132	1628.39
Uri II (J&K)	240	2080.82
Parbati III (H.P.)	520	2304.56
Teesta Low Dam IV (W.B.)	160	1501.75
Parbati II (H.P.)	800	5365.70
Subansiri Lower (Ar. Prad/ Assam)	2000	10779.36
Kishanganga (J&K)	330	3642.04
Total	4271	29132.49

As per CCEA approval and CERC guidelines the above projects are to be financed in the debt equity ratio of 70:30.



c A brief history of the Issuer since its incorporation giving details of its following activities:

i Details of Share Capital as on last quarter end (as on 30.09.2012)

(Rs. in Crores)

Particulars	Amount
1. Share Capital	
Authorised: 15000000000 Equity Shares of Rs 10/- each	15000.00
Issued, Subscribed and Paid up: 12300742773 Equity Shares of Rs 10 each fully paid up (Out of above 62952960 Shares of Rs 10/- each have been allotted for consideration other than cash pursuant to agreement with Government of India)	12300.74

ii Changes in its capital structure as on last quarter end, for the last five years:

Date of Change (AGM / EGM)	Rs.	Particulars
No change in Authorised share capital		

iii Equity Share Capital History of the Company as on last quarter end, for the last five years:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (Rs in Crores)	Equity Share Premium (Rs in Crores)	
March 13, 2008	88,30,930	10	10	Cash	Promoter	11,18,24,93,430	11,182.49	Nil	
August 26, 2009	1118249343	10	36	Cash	IPO	12300742773	12300.74	2868.74*	

* Adjustment of Share issue expenses of Rs 38.71 crores as per the provisions of Section 78 of the Companies Act, 1956.

iv Details of any Acquisition or Amalgamation in the last 1 year: NIL

v Details of any Reorganization or Reconstruction in the last 1 year.

Type of Event	Date of Announcement	Date of Completion	Details
-----NIL-----			
--			

d Details of the shareholding of the Company as on the latest quarter end:

i Shareholding pattern on the Company as on last quarter end (31.12.2012):



Sl. No.	Particulars	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total no. of equity shares
1	President Of India	10623368758	10623368758	86.36364
2	Resident Individuals	788456854	788266663	6.40983
3	Bodies Corporates	237849673	237849673	1.93362
4	Foreign Institutional Investors	224337903	224337903	1.82378
5	Mutual Funds	79345073	79345073	0.64504
6	Insurance Companies	164143621	164143621	1.33442
7	Banks	78049719	78049694	0.63451
8	H U F	41265595	41265595	0.33547
9	Indian Financial Institutions	24774213	24774213	0.20140
10	Non Resident Indians	17380655	17373080	0.14130
11	Clearing Members	19069408	19069408	0.15503
12	Trusts	2690039	2690039	0.02187
13	Overseas Corporate Bodies	8462	8462	0.00007
14	Foreign Nationals	2800	2800	0.00002

Notes: Shares pledged or encumbered by the promoters (if any): NIL

ii List of top 10 holders of equity shares of the Company as on last quarter end 31.12.2012:

Sl. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total no. of equity shares
1	PRESIDENT OF INDIA	10623368758	10623368758	86.37
2	LIFE INSURANCE CORPORATION OF INDIA	119202169	119202169	0.97
3	UCO BANK	33154836	33154836	0.27
4	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	29965604	29965604	0.24
5	MACQUARIE BANK LIMITED	23992339	23992339	0.19
6	HDFC TRUSTEE COMPANY LIMITED - HDFC TOP 200 FUND	20397000	20397000	0.17
7	CORPORATION BANK	16822014	16822014	0.14
8	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA	15000000	15000000	0.12
9	BARCLAYS CAPITAL MAURITIUS LTD	14976623	14976623	0.12
10	SOCIETE GENERALE	14505348	14505348	.012



e Following details regarding the directors of the Company:

i Details of the current directors of the Company*

Name, Designation & DIN	Age	Address	Director of the Company since	Details of Other Directorship
Shri G. Sai Prasad, CMD & Govt. Nominee Director, (DIN 00325308)	46 Years	House No. B-2, Block-2, 2nd Floor, New Moti Bagh, New Delhi-110023	20.12.2011	1. Chairman-NHDC Ltd. 2. Director (Government Nominee)-SJVN Ltd. 3. Director (Government Nominee) - THDC Ltd. 4. Member-Bhakra Beas Management Board 5. Director (Government Nominee)-North Eastern Electric power Corporation Ltd. 6. Chairman-LDHC Ltd.
Shri A.B.L. Srivastava, Director (Finance), (DIN 01601682)	57 Years	C - 301, Stellar Park, C - 58/24, Sector -62, Gautam Budha Nagar, Noida – 201301 (UP)	11.02.2008	Nominee Director - PTC India Limited, Managing Director-NHDC Ltd.
Shri D.P.Bhargava, Director (Technical), (DIN 01277269)	56 Years	House No. 176, Sector 30, Faridabad – 121003 (Haryana)	26.03.2009	Nominee Director-Chenab Valley Power Projects Pvt. Ltd.
Shri J.K. Sharma, Director (Projects),	54 Years	House No. 915, Sector 28, Faridabad – 121003	10.04.2009	Nominee Director-



(DIN 00387785)		(Haryana)		Chenab Valley Power Projects Pvt. Ltd.
Shri Radheshyam Mina, Director (Personnel), (DIN 00149956)	55 Years	6081/1, Sector D-6, Vasant Kunj, New Delhi – 110070	28.04.2009	-
Shri A.S. Bakshi, Govt. Nominee Director, (DIN 05175439)	59 Years	WZ-13A, Sant Pura, P.O. Tilak Nagar, New Delhi - 110018	17.01.2012	-
Shri A. Gopalakrishnan, Independent Director, (DIN 02880344)	60 Years	3C, Skyline Topaz, Kaloor Kadavanthra Road, Kochi – 682020	15.12.2009	Retired on 03.12.2012
Shri Gurdev Singh Vedi, Independent Director, (DIN 02286126)	62 Years	A-287, Vikaspuri, New Delhi – 110018	08.11.2011	Director – MMTC
Shri Arun Kumar Mago, Independent Director, (DIN 01624833)	67 Years	40, Pushpanjali, Vikas Marg Extension, Delhi – 110092	09.11.2011	Independent Director – Yes Bank, Public Representative Director – Inter Connected Stock Exchange of India
Shri R. Jeyaseelan, Independent Director, (DIN 02143850)	66 Years	C/o Dr. S. Jeyaseelan, House No. 5, Senior Doctors' Residence, Holy Family Hospital, New Delhi - 110025	12.11.2011	-
Shri Ashoke Kumar Dutta, Independent Director, (DIN 00045170)	65 Years	50, Jatin Das Road, Flat GB, Kolkata-700029	30.03.2012	Director – Khadims India Ltd., ABC India Ltd. Chairman – All Indian Technologies Ltd., Batchmates Com. Pvt. Ltd.
Shri Atul Kumar Garg, Independent	62 Years	N-7-N-8, Adinath Nagar, JLN Marg,	30.03.2012	



Director, (DIN 02281287)		Opposite World Trade Park, Jaipur- 302015 (Rajasthan)		-
Shri Shantikam Hazarika, Independent Director, (DIN 00523656)	64 Years	“Hazarikas”, 11 Nizorapar, Chandmari, Guwahati-781003	24.05.2012	Director – Assam State Electronics Development Corporation, The Guwahati Stock Exchange Ltd.

*: Company to disclose name of the current directors who are appearing in the RBI defaulter list and / or ECGC default list, if any. Nil

ii Details of change in directors since last 3 years as on 16.01.2013

Name, Designation & DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Sh.S.K.Garg, Chairman & Mannaging Director (DIN:00055651)	01.07.2003* 23.01.07		Ceased to be director w.e.f 31.12.2010 *He was initially appointed as Director Finance on 01.07.03 and elevated to the post of Chairman and Managing Director on 23.01.07
Sh. Rakesh Jain, Official part time Director (DIN: 02682574)	29.09..09		Ceased to be director w.e.f 03.01.2012
Sh. Sudhir Kumar, Official part time Director (DIN: 02669103)	21.10.09		Ceased to be director w.e.f 01.12.2011
Smt. Komal Anand, Independent Director (DIN:01909263)	02.04.08		Ceased to be director w.e.f 02.04.2011
Sh. Raman Sidhu, Independent	07.04.08		Ceased to be director w.e.f



Director (DIN: 00121906)			07.04.2011
Dr. Kuriakose Mamkoottam, Independent Director (DIN:02231128)	17.06.08		Ceased to be director w.e.f 17.06.2011
Sh. K. Dharmarajan, Independent Director (DIN:02322767)	03.09.08		Ceased to be director w.e.f 03.09.2011
Shri Arun Kumar Mago, Independent Director, (DIN 01624833)	03.04.08		Ceased to be director w.e.f 03.04.11
Shri R. Jeyaseelan, Independent Director, (DIN 02143850)	23.04.08		Ceased to be director w.e.f 23.04.11
Shri G. Sai Prasad, Government Nominee Director, (DIN 00325308)	20.12.2011		Continuing
Shri A.S. Bakshi, Government Nominee Director, (DIN 05175439)	17.01.2012		Continuing
Shri Gurdev Singh Vedi, Independent Director, (DIN 02286126)	08.11.2011		Continuing
Shri Arun Kumar Mago, Independent Director, (DIN 01624833)	09.11.2011		He has been reappointed and he is continuing.
Shri R. Jeyaseelan, Independent Director, (DIN 02143850)	12.11.2011		He has been reappointed and he is continuing.
Shri Ashoke Kumar Dutta, Independent Director, (DIN 00045170)	30.03.2012		Continuing



Shri Atul Kumar Garg, Independent Director, (DIN 02281287)	30.03.2012		Continuing
Shri Shantikam Hazarika, Independent Director, (DIN 00523656)	24.05.2012		Continuing
Shri A. Gopalakrishnan, Independent Director, (DIN 02880344)	15.12.2009		Ceased to be director w.e.f 03.12.12

f Following details regarding the auditors of the Company:

i Details of the auditors of the Company

Name	Address	Auditor since
M/s S. N. Nanda & Co.	C-43, Pamposh Enclave, Greater Kailash – I, New Delhi – 110 048	2011-12(As Joint Statutory Auditor)
M/s Baweja & Kaul	House No. 32, Sector-8, Trikuta Nagar, Jammu, Jammu & Kashmir – 180 012	-2009-10 to 2010-11 (as Branch Auditor) - 2011-12(as Joint Statutory Auditor)
M/s Singhi & Co.	1-B, Old Post Office Street, Kolkata – 700 001, West Bengal	-2010-11 as Branch Auditor - 2011-12(as Joint Statutory Auditor)
M/s Tiwari & Associates	T-8, Green Park Extension, New Delhi – 110 016	-2010-11(as Branch Auditor) -2011-12(as Joint Statutory Auditor)

ii Details of change in auditor since last 3 years

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
M/s. GSA &	16, Ground	From		Main



Associates	Floor, DDA Flats, Shivalik-Panchashil Mor, Near Malviya Nagar, New Delhi-110017	2006-07 to 2009-10		Auditor
M/s. K.K.Ghei & Co.	806, Hemkunt House,6, Rajindra Place, New Delhi-110008	From 2006-07 to 2009-10		Branch Auditor
M/s. K.C. Bhattacharjee & Paul	2, Church Lane,3rd Floor, Room No.304-B, Kolkata-700072	From 2006-07 to 2009-10		Branch Auditor
M/s. N. Sarkar & Co.	21, Prafulla Sarkar Street, Kolkata-700072	From 2006-07 to 2009-10		Branch Auditor
M/s. SBG & Co.	E-27,Kamla Nagar,Delhi-110017	For 2010-11		Re-appointment not made by CAG.
M/s Singhi & Co.	Emerald House, 4th Floor,1-B, Old Post Office Street, Kolkata-700001	From 2010-11		-2010-11 as Branch Auditor -From 2011-12 as Joint Statutory Auditors
M/s. A.Kayes & Co.	231, Kamalalaya Centre(2nd & 3rd Floor), 156A, Lenin Sarani, Kolkata-700013	From 2010-11		Re-appointment not made by CAG.
M/s. Tiwari & Associates	T-8, Green Perk Extension, New Delhi-110016	From 2010-11		-2010-11 as Branch Auditor -From 2011-12 as Joint Statutory



				Auditors
M/s. S.N. Nanda & Co.	C-43, Pamposh Enclave, Greater Kailash -1, New Delhi-110048	From 2011-12		-2010-11 as Branch Auditor -From 2011-12 as Joint Statutory Auditors
M/s. Baweja & Kaul	House No. 32, Sector-8, Trikuta Nagar, Jammu, Jammu & Kashmir – 180 012	From 2009-10		-2009-10 & 2010-11 as Branch Auditor -From 2011-12 as Joint Statutory Auditors

g Details of borrowings of the Company, as on the latest quarter end:30.09.12

i Details of Secured Loan Facilities

(Amount Rs. in Crores)

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt O/s	Repayment Date / Schedule	Security
State Bank of Patiala	Term Loan	40.00	18.00	9 half yearly instalments of Rs. 2 crores each upto 09.07.2017	Pari-passu charge against Immovable / Movable assets of Chamera-I Power Station situated in Himachal Pradesh except for book debts & stores
Canara Bank	Term Loan	200.00	100.00	5 equal yearly instalments of Rs. 20 crores each upto 09.11.2016	Pari-passu charge against Immovable / Movable assets of Uri-I Power Station situated in Jammu & Kashmir except for book debts and stores
Canara Bank	Term Loan	85.00	17.00	1 yearly instalment of Rs. 17 crores each upto 30.01.2013	Pari-passu charge against Immovable / Movable assets of Chamera-I Power Station situated in Himachal Pradesh except for book



					debts & stores
Syndicate Bank	Term Loan	183.00	91.50	5 equal yearly instalments of Rs. 18.30 crores each upto 23.02.2017	Same as above
Oriental Bank of Commerce	Term Loan	200.00	100.00	5 equal yearly instalments of Rs. 20 crores each upto 31.03.2017	Same as above
Oriental Bank of Commerce	Term Loan	100.00	90.00	9 equal yearly instalments of Rs. 10 crores each upto 27.12.2020	Same as above
Indian Bank*	Term Loan	100.00	66.67	2 yearly instalments of Rs. 33.33 crores each upto 27.02.2012	Pari-passu charge against Immovable / Movable assets of Chamera-I Power Station situated in Himachal Pradesh except for book debts & stores
Indian Bank	Term Loan	75.00	75.00	Bullet repayment of Rs. 75.00 crores on 29.09.2014	Pari-passu charge against assets of Loktak Power Station situated in Manipur except for book debts & stores and exclusive charge against assets of Baira Siul situated in Himachal Pradesh except for book debts and stores.
UCO Bank	Term Loan	1000.00	1000.00	24 half yearly instalments of Rs. 41.67 crores each upto 30.06.2024	First charge on Pari-passu basis on movable assets, both present & future, of Dulhasti Power Station situated in Jammu & Kashmir except for book debts & stores
Corporation Bank	Term Loan	500.00	500.00	48 equal quarterly instalments of Rs. 10.42 crores each	First charge on Pari-passu basis on movable assets, both present & future, of Salal & Sewa-II, Power Stations, Chutak, Nimoo-



				upto 06.10.2026	Bazgo & Uri-II HE Projects, all situated in Jammu & Kashmir and TLDP-IV HE Project situated in West Bengal except for book debts & stores
Canara Bank	Term Loan	200.00	200.00	48 equal quarterly instalments of Rs. 4.17 crores each upto 16.10.2026	Same as above
Indian Overseas Bank	Term Loan	200.00	200.00	48 equal quarterly instalments of Rs. 4.17 crores each upto 16.10.2026	Same as above
Punjab & Sind Bank	Term Loan	200.00	200.00	48 equal quarterly instalments of Rs. 4.17 crores each upto 17.10.2026	Same as above
IndusInd Bank	Term Loan	100.00	100.00	48 equal quarterly instalments of Rs. 2.083 crores each upto 24.10.2026	Same as above
Syndicate Bank	Term Loan	300.00	300.00	48 equal quarterly instalments of Rs. 6.25 crores each upto 02.02.2026	Same as above
Union Bank of India	Term Loan	150.00	150.00	48 equal quarterly instalments of Rs. 3.125 crores each	Same as above



				upto 03.11.2026	
Life Insurance Corporation of India	Line of Credit	2500.00	1666.72	17 equal half yearly instalments of Rs. 104.17 crores each upto 15.10.2020	Pari-passu charge against immovable & movable assets of Parbati-II HE Project situated in Himachal Pradesh and pari-passu charge against all immovable & movable assets of Dhauliganga Power Station situated in Uttarakhand except for book debts and stores.
Life Insurance Corporation of India	Line of Credit	1896.00	1738.00	23 equal half yearly instalments of Rs. 79 crores each upto 30.10.2023	Pari-passu charge against immovable / movable assets of TLDP-III HE Project situated in West Bengal and Teesta-V Power Station situated in Sikkim.
Power Finance Corporation	Term Loan	750.00	675.00	36 equal quarterly instalments of Rs. 18.75 crores each upto 15.07.2021	First charge on Pari-passu basis on movable assets, both present & future, of Dulhasti Power Station situated in Jammu & Kashmir except for book debts & stores
Power Finance Corporation	Term Loan	186.00	111.60	24 equal quarterly instalments of Rs. 4.65 crores each upto 15.07.2018	Same as above
Power Finance Corporation	Term Loan	70.00	63.00	36 equal quarterly instalments of Rs. 1.75 crores each upto 15.07.2021	Same as above



Power Finance Corporation	Term Loan	1457.00	1274.88	35 equal quarterly instalments of Rs. 36.425 crores each upto 15.07.2021	Pari-passu charge against Immovable / Movable assets of Uri-I Power Station situated in Jammu & Kashmir and Chamera-II Power Station situated in Himachal Pradesh except for book debts and stores
Power Finance Corporation	Term Loan	413.00	278.77	27 equal quarterly instalments of Rs. 10.325 crores each upto 15.07.2018	Pari-passu charge against Immovable / Movable assets of Chamera-I Power Station situated in Himachal Pradesh except for book debts & stores
Power Finance Corporation	Term Loan	500.00	362.50	29 equal quarterly instalments of Rs. 12.50 crores each upto 15.07.2019	Same as above

* The loan was converted into a secured loan vide an agreement dated October 4, 2006.

ii Details of Unsecured Loan Facilities

(Amount Rs. in Crores)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule
Domestic				
Government of India	Subordinate Debt for Nimoo Bazgo HE Project	270.00	270.00	18 equal annual instalments from 12th year after commissioning of the project.
Government of India	Subordinate Debt for Chutak HE Project	364.00	364.00	24 equal annual instalments from 6th year after commissioning of the project.
Government of India	Subordinate Debt for Kishanganga HE Project	1034.81	1034.81	10 equal annual instalments from 11th year after commissioning of the project.
Foreign				
EDC LOAN	Export Credit-Term Loan	CAD 17.50	216.32	3 half yearly instalments of Rs 37.92 Crs upto



				15.03.2014 thereafter 4 half yearly instalments of Rs 25.63 Crs upto 15.03.2016
Japan Bank of International Cooperation	Term Loan Tranche-I	JPY 566.50	225.56	27 half yearly equal instalments of Rs 8.35 Crs upto 20.01.2026
Japan Bank of International Cooperation	Term Loan Tranche-II	JPY 1631.60	849.61	31 half yearly equal instalments of Rs 27.41 Crs upto 20.01.2026
Japan Bank of International Cooperation	Term Loan Tranche-III	JPY 1389	830	41 half yearly equal instalments of Rs 20.24 Crs upto 20.03.2034
DB-NEXI untied facility	Term Loan	JPY 1824	816.75	13 half yearly equal instalments of Rs 62.83 Crs upto 18.04.2019

iii Details of NCDs
(Amount Rs. in Crores)

Debt Series	Tenor / Period of Maturity	Coupon	Amount	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
O-Series	15 Years with 5 years moratorium	7.70% (Fixed)	570.00	31.03.03	10% every year commencing from 31.03.09 to 31.03.18	“AA+” from Crisil	Secured	1. Uri-I Power Station situated in J&K
P-Series	15 Years with 5 years moratorium	9.00% (Fixed)	2000.00	01.02.10	10% every year commencing from 01.02.16 to 01.02.25	“AAA” from Fitch Ratings	Secured	1. Dhauliganga Power Station situated in Uttarakhand 2. Parbati-II Power Project & 3. Chamera-



								III Power Station both situated in Himachal Pradesh
Q-Series	15 Years with 3 years moratorium	9.25% (Fixed)	1266.00	12.03.12	1/12th every year commencing from 12.03.16 to 12.03.27	1. "AAA" from Fitch Ratings 2. "AAA" from CARE Ratings 3. "AAA" from ICRA Ratings	Secured	1. TLDP-III HE Project situated in West Bengal 2. Teesta-V Power Station situated in Sikkim

iv List of Top 10 Debenture Holders (as on 31.12.2012)

SL. NO.	BONDHOLDER NAME & ADDRESS	AMOUNT
1	LIFE INSURANCE CORPORATION OF INDIA, INVESTMENT DEPARTMENT, 6TH FLOOR, WEST WING, CENTRAL OFFICE, YOGAKSHEMA, JEEVAN BIMA MARG, MUMBAI, PIN-400021, PHONE-66598628/66598663, FAX-22810448, P Series Bonds	2000000000
2	CBT EPF-11-A-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	2304000000
3	CBT EPF-05-C-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	1980800000
4	CBT EPF-05-B-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	1881600000
5	CBT EPF-11-C-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	1607800000
6	CBT EPF-05-D-DM, Standard Chartered Bank, CRESCENZO, Securities	1597200000



	Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	
7	THE STATE BANK OF INDIA EMPLOYEES PROVIDENT FUND, 16TH FLOOR, PPG DEPTT, CORPORATE CENTRE, M. C. ROAD, MUMBAI, MAHARASHTRA, PIN-400021, PHONE-2222741611, O Series Bonds	705600000
8	GENERAL INSURANCE CORPORATION OF INDIA, SURAKSHA., 170, J. T A T A ROAD,, CHURCH GATE, MUMBAI, PIN-400020, PHONE-283 3046, FAX-287 4129, O Series Bonds	700000000
9	CBT EPF-11-D-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 7008/7009, O Series Bonds	580800000
10	CBT EPF-05-A-DM, Standard Chartered Bank, CRESCENZO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East), Mumbai India, PIN-400051, PHONE-+91 22 61157169/7170, FAX-+91 22 2675 O Series Bonds	424800000

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debenture issues) details should be provided.

- v The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company etc) on behalf of whom it has been issued. NIL
- vi Details of Commercial Paper
The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup in following table:

Maturity Date	Amount Outstanding
NIL	NIL

- vii Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as onNIL

Party Name (in case of Facility) / Instrument Name	Type of Facility / Instrument	Amount Sanctioned / Issued	Principal Amount Outstanding	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security

- viii Details of all defaults/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years. Nil



- ix Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option. Nil
- h Details of Promoters of the Company
- i Details of Promoter Holding in the Company as on the latest quarter end:

Sl. No.	Name of Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total no. of equity shares	No. of Shares Pledged	% of Shares pledged with respect to shares owned
1	President of India through MoP, GoI.	10623368758	10623368758	86.363636%	Nil	-

- i Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss Statement, Balance Sheet and Cash Flow Statement) for at least last 3 years and auditor qualifications, if any.*-Enclosed
- j Abridged version of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss Statement and Balance Sheet) and auditor qualifications, if any.*-Enclosed

*: Issuer shall provide latest Audited or Limited Review Financials in line with timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular no. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly / annual result. -Enclosed

- k Any material event / development or change having implications on the financials / credit quality (e.g. any material regulatory proceedings against the Issuer / promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities:-

The Company hereby declares that there has been no material event, development or change at the time of issue which may affect the issue or the investor's decision to invest/continue to invest in the debt securities of the Company.

- l SBICAP Trustees Company Ltd has been appointed as debenture trustee (s) has given his consent to the issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities.



- m The detailed rating rationale(s) adopted (not older than one year on the date of opening of the issue) / credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.
i) IND AAA (exp) India Ratings Obtained and enclosed
ii)“(ICRA)AAA” By ICRA Obtained and enclosed
- n If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document. N.A
- o Copy of consent letter from the Debenture Trustee shall be disclosed. Enclosed
- p Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange:- **National Stock Exchange in WDM Segment.**
- q Other details
- i DRR creation – relevant regulations and applicability :- The Company shall create Debenture Redemption Reserve (DRR) out of its profits and transfer to DRR suitable amounts in accordance with relevant provisions of the Companies Act, 1956 or other guidelines issued from time to time and in force during the currency of the Bonds/STRPPs.
- ii Issue / instrument specific regulations – We adhered to the applicable regulations of Companies Act,1956 and SEBI.
- iii Application process :-

Who can apply:

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Bonds

- Companies and Bodies Corporate including Public Sector Undertakings
- Scheduled Commercial Banks
- Regional Rural Banks
- Co operative Banks
- Financial Institutions
- Insurance Companies
- Mutual Funds
- Provident, Pension, Superannuation & Gratuity Funds
- Port Trusts
- Any other investor authorised to invest in these bonds, subject to confirmation from the issuer.



All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of bonds.

Procedure for applications by Mutual Funds

The applications forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:-

- SEBI registration certificate
- Resolution authorizing investment and containing operating instructions
- Specimen Signature of authorized signatories

Documents to be provided by investors

Investors need to submit the following documentation, along with the application form, as applicable:-

- Memorandum and Articles of Association / Documents Governing Constitution
- Resolution authorising investment
- Certified True Copy of the Power of Attorney
- Form 15 AA for investors seeking exemption from Tax deduction at source from interest on the application money.
- Specimen signatures of the authorised signatories duly certified by an appropriate authority.
- SEBI Registration Certificate (for Mutual Funds)/Recognition Certificate of Trust – Provident, Pension, Superannuation and Gratuity Fund
- Permanent Account Number (PAN)
- Bank / demat Account Number

Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

Submission of Completed Application Forms and Mode of Payment

The amount of the application money may be deposited by way of remittance through **RTGS** only to **NHPC Ltd C.A. No. 10813608692 with (State Bank of India, CAG Branch, New Delhi) (IFSC Code SBIN0009996) on account of Application Money for NHPC R-Series Bonds.**

The application duly filled and Affixed the stamp of arranger may be deposited to Chief (Finance) - Treasury, 4th Floor, NHPC LTD, NHPC Office Complex, Sector-33, Faridabad – 121 003 (Haryana) or through arranger by whom the bids will be submitted.



The copy of the application with RTGS related details (mentioning UTR number on the top of the application) Depository details (mentioning Depository name, Depository Participant's name, DP ID, Client ID (house/non house) must be faxed / hand delivered on the pay in date immediately to Chief (Finance) - Treasury, 4th Floor, NHPC LTD, NHPC Office Complex, Sector-33, Faridabad – 121 003 (Haryana) to facilitate reconciliation and allotment process of bonds.

Right to accept / reject applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms which are incomplete or which do not fulfill the Terms & Conditions indicated on the back of the application form are liable to be rejected.

Payment on Application

The full face value of the Bonds applied for, is to be paid along with the application form.

Minimum Lot Size

The minimum lot size for trading of the Bonds on the NSE is proposed to be 1 STRPP of the value of Rs. 1.00 Lakh only.

Minimum Subscription:

As the current issue of bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore, NHPC shall not be liable to refund the issue subscription(s)/proceed(s) in the event of total issue collection falling short of issue size or certain percentage of issue size.

Basis of Allocation / Allotment

The Issuer will decide the basis of allotment through Book Building Process. The issuer reserves the right to reject any/all applications at its sole discretion, without assigning any reason whatsoever.



Book Building Procedure

1. NHPC shall call a meeting of the Arrangers, to discuss inter-alia the indicative price range and other related issues, 2-3 days prior to the issue opening and accordingly shall fix a price range to the issue.
2. Commencing from the Offer Opening Date, potential investors will be invited to place bids by way of irrevocable Letter of Commitment, in the prescribed format, as per the **Annexure**.
3. As per the format, the investor may indicate the amount that they will like to invest in R1, R2 and R3 tranches at different coupon rates within the prescribed price range. Alternatively, investors may indicate the amount they would like to invest at the cut-off coupon rate as decided by the Company, i.e., NHPC. Orders placed earlier can be changed anytime during the bidding period (opening date and time) to (closing date and time) by giving a revised commitment letter, which will be deemed to supercede the earlier commitment.
4. The Letters of Commitment should be submitted to Chief (Finance) – Treasury, 4th Floor, NHPC Office Complex, Sector-33, Faridabad-121 003 (Haryana) in a sealed envelope marked “Original / Revised (as the case may be) Letter of Commitment – NHPC R-Series Bonds” before Bid Closing Date and Time. Full confidentiality of commitments shall be maintained.
5. Based on the Letters of Commitment received, a “Final Coupon Rate” for R-Series Bonds shall be determined by NHPC.
6. The “Final Coupon Rate” so decided will be applicable for all the investors.
7. The final allocation to the investors shall be decided by NHPC. In case there is over-subscription in the issue, priority will be given to investors in the following order:
 - i) First priority would be given to investors bidding at the lowest coupon rate either in original or revised bid.
 - ii) Second priority would be given to investors bidding at the “Cut-off” option either in original / revised bid.
 - iii) Further, within a set of applications bidding to invest at the same Coupon rate, priority shall be given to bids received on an earlier date.
 - iv) In case of tie with respect to “Final Coupon Rate” and Date of Receipt of the bid, allocation will be done on Pro-rata basis.
8. The Final Coupon Rate along with the investors’ allocation shall be communicated to the investors latest by 01st Feb 2013.

On receipt of the Allocation Advice, completed applications along with the details of deposit through RTGS for the requisite amount & other necessary documents may be submitted directly or through Arranger by whom the bids have been submitted, to Chief (Finance) – Treasury, 4th Floor, NHPC Office Complex, Sector-33, Faridabad-121 003 (Haryana). The amount of application money may be deposited through RTGS only to (NHPC Bank Details) on account of **Application Money for R-Series Bonds on 05.02.2013**.

Note: NHPC reserves the right to change the Issue Schedule and also accept or reject any application, in part or in full, without assigning any reason.



Denomination of Bonds

R1:- 13 years of Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 2nd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 2nd,3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th and 13th year respectively.)

R2:- 14 years of Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 3rd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th , 13th & 14th year respectively)

R3:- 15 years of Face value of Rs 10.00 Lac each (Bonds are redeemable at par in 10 equal annual installments starting at the end of 6th year. Each bond will comprise of 10 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 6th, 7th , 8th , 9th, 10th, 11th, 12th , 13th , 14th & 15th year respectively.)

The investors can hold the bonds only in Electronic (Dematerialized) form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time. The Company is making arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) for the issue of these Bonds in the Electronic (Dematerialized) form. All provisions relating to issue, allotment, transfer, transmission etc in respect of Bonds/STRPPs as prescribed under the Depositories Act, 1996 and the rules made there under will be applicable to the Bonds issued in Dematerialized Form.

Applicants should mention their Depository Participant's (DP) name, DP-ID and Client-ID (Beneficiary Account Number), clear and legible, in the appropriate place in the Application Form.

Depository Arrangement

The Company has appointed M/s RCMC Share Registry Pvt. Ltd. Ground Floor, B-106, Sector-2, Noida-201301, as Registrars & Transfer Agent for the present bond issue. The Company has made depository arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for issue and holding of the Bonds in dematerialised form.

As per the provisions of Depositories Act, 1996, the Bonds issued by the Company can be held in a dematerialised form, i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. In this context:



- Two tripartite agreements have been signed
 - Tripartite Agreement dated 24.12.2001 between NHPC, NSDL and RCMC Share Registry Ltd.
 - Tripartite Agreement dated 01.01.2002 between NHPC, CDSL and RCMC Share Registry Ltd.
- An applicant applying for Bonds in the electronic form must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the application.
- The applicant seeking allotment of Bonds in the electronic form must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application form under the heading 'Request for Bonds in Electronic Form'.

Bonds allotted to an applicant in the electronic account form will be credited directly to the applicant's respective beneficiary account(s) with the DP.

For subscription in electronic form, names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.

- In case of allotment of Bonds in electronic form, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.

Letter(s) of Allotment / Bond Certificate(s) / Refund Order(s) Issue Letter(s) of Allotment

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) / Depository Participant will be given initial credit within 2 working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Bond Certificate.

Issue of Bond Certificate(s)

Subject to the completion of all statutory formalities within 3 months from the Deemed Date of Allotment, or such extended period as may be approved by the appropriate authority(ies), the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, 1996,



Security and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL / CDSL / Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

Record Date

For the purpose of corporate actions such as interest payment and redemption, the 'Record Date' for the Bonds shall be fixed not more than 15 calendar days prior to such corporate action (both dates exclusive). Interest and/or principal repayment shall be made to the person whose name appears as sole first in the register of bondholders/ beneficiaries position of the Depositories on record date. In the event of the Company not receiving any notice of transfer at least 15 days before the respective due date of payment of interest and at least 15 days prior to the maturity date, the transferees for the Bonds shall not have any claim against the Company in respect of interest so paid to the registered bondholder.

List of Beneficial Owners /Register of Beneficial Owners

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be. The depositories shall maintain a register and an index of Beneficial Owners in the manner provided in Sections 150, 151 and 152 of the Companies Act, 1956.

Payment of Interest

Interest would be payable annually on anniversary date of the deemed date of allotment every year till the final date of redemption so as to include the previous interest payment date and exclude the current interest payment date. The interest payable to each bondholder shall be paid by way of RTGS/interest warrants bearing the interest payment dates. Such payments shall be made to the Bondholders whose names appear in the Register of Bondholders on the record date and in case of joint holders to the one whose name appears first in the Register of Bondholders. In the event of the Corporation not receiving any notice of transfer on the record date i.e. 15 days before the interest payment date, the transferee(s) for the Bond shall not have any claim against the Corporation in respect of amount so paid to the registered Bondholders. The Company retains the right to revise (pre-pone/ postpone) the above interest payment date(s) at its sole and absolute discretion subject to the compliance of the relevant statutory provisions in this regard..

- The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days except in case of a leap year where the year will comprise of 366 days.

Wherever the signature(s) of such transferor(s) in the intimation sent to the Corporation is/are not in accordance with the specimen signature(s) of such transferor(s) available on the records of the Corporation, all payments on such Bond(s) will be kept at abeyance by the Corporation till such time as the Corporation is satisfied in this regard.



No interest / interest on interest shall accrue on the Bonds after the date of maturity of the respective instruments.

Payment on Redemption

The payment of the redemption amount of the Bonds will be made by the Company to the Registered Bondholders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Bondholders as on the record date. In the event of the Company not receiving any notice of transfer, before the record date, the transferee(s) for the Bond(s) shall not have any claim against the Company in respect to the amount so paid to the Registered Bondholders.

The Bonds held in the Dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Bondholders whose name appears in the Register of Bondholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Bondholders. On such payment being made, the Company will inform NSDL/ CDSL and accordingly the account of the Bondholders with NSDL/ CDSL will be adjusted.

The Company's liability to the Bondholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Bonds, the liability of the Company shall stand extinguished.

Effect of Holidays

Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Delhi, , payment shall be done on the immediate preceding working day in Delhi with Interest upto the day preceding the actual date of payment.

Tax Deduction at Source

Tax applicable under the Income-Tax Act, 1961, or any other statutory modification or reenactment thereof will be deducted at source. Tax exemption certificate/ document, under section 193/197/197A of the Income Tax Act, 1961, if any must be lodged in duplicate at the office of the Issuer, at least 30 days prior to the interest payment date. In case of tax deducted at source, the Company will issue the TDS certificate to the investors.



Payments at Par

The Company will try, as far as possible, to pay interest and principal on the bonds through ECS/direct credit/ RTGS/NEFT/ instruments payable at par as per applicable norms of the Reserve Bank of India.

Dispatch of Documents

The Cheques/ Demand Drafts/other instruments of payment, as the case may be, shall be dispatched by registered post / courier or by hand delivery to the address of the holder whose name appears first in the Register of Bondholders. This will be at the sole risk of the addressee.

Loss of Interest Warrants

Loss of interest warrants should be intimated to NHPC. The issue of duplicate interest warrants would be governed by such conditions as may be prescribed by NHPC.

Purchase and Sale of Bonds

The Corporation may, at any time and from time to time, purchase Bonds at the price available in the Capital Market in accordance with the applicable laws. Such Bonds may, at the option of the Corporation, be canceled, held or reissued at such a price and on such terms and conditions as the Corporation may deem fit and as permitted by law.

Re-issue of Bonds

Where the Corporation has redeemed any such Bonds, subject to the provisions of Section 121 of the Companies Act and other applicable provisions, the Corporation shall have and shall be deemed always to have had the right to keep such Bonds alive for the purpose of reissue and in exercising such right, the Corporation shall have and shall be deemed always to have had the power to re-issue such Bonds either by re-issuing the same Bonds or by issuing other Bonds in their place.

Transfer of Bonds

All requests for registration of transfer, transmission, etc. along with appropriate documents should be sent to RTA – M/s **RCMC Share Registry Pvt. Ltd., Ground Floor, B-106, Sector-2, Noida-201 301 (UP)** or such other persons at such addresses as may be notified by the Company from time to time.

Mode of Transfer

The Company is a Government Company within the meaning of Section 617 of the Companies Act, 1956. The bonds will be transferable in accordance with the Provisions of the Companies Act, 1956.



Bonds held in Electronic (Dematerialized) form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depository/ Depository Participant of the transferor/transferee and any other applicable laws and rules notified in respect thereof.

Succession

In the event of winding-up/demise of the Bondholder(s), NHPC will recognise the executor or administrator of the concerned Bondholder(s), or the other legal representative as having title to the Bond(s). NHPC shall not be bound to recognise such executor or administrator or other legal representative as having title to the Bond(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a Court in India having jurisdiction in the matter.

NHPC may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration other legal representation, in order to recognise such holder as being entitled to the Bond(s) standing in the name of the concerned Bondholder on production of sufficient documentary proof or indemnity.

However, in case of Acquisition/Take over/Mergers and Amalgamations of the Bondholder company, the changes will be recognized only by NHPC when the entire process of such Acquisition/Take over/Mergers and Amalgamations (not restricted to permission of the concerned court or any other authority as applicable of such Acquisition/Take over/Mergers and Amalgamations) is completed and necessary changes are carried on with the Registrar of the Companies and proof thereof is submitted to the Registrar of Issue.

Security

The NCDs in the nature of bonds shall be secured by first pari-passu charge over the fixed assets of the company both existing and future, with asset coverage not exceeding 1.00 time the issue amount. The company proposes to provide balance available coverage in its existing assets already mortgaged to LIC & Debenture Trustee of P Series Bonds i.e. Parbati-II HE Projects Himachal Pradesh on pari-passu basis.

The Company shall at all times maintain a minimum security cover of 1.00 times of the value of all the outstanding Bonds proposed to be issued.

The said security shall be created in favour of the Debenture Trustee within 3 months from the deemed date of allotment failing which additional interest @ 2% p.a. on the outstanding amount of debentures shall be payable by the company from the date of disbursement till such creation of security to the satisfaction of Debenture Trustee.

Servicing behavior on existing debentures

NHPC confirms that it has been regular in servicing all its past bonds.



Rights of Bondholders

The Bondholders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Bonds shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of the Corporation. The Bonds shall be subjected to other usual terms and conditions, as per the Memorandum and Articles of Association of the Corporation.

Modification of Rights

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a special resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution which modifies or varies the terms and conditions of the Bonds shall be operative against the Corporation, if the same are not accepted by the Corporation.

Future Borrowings

The Corporation shall be entitled from time to time to make further issue of Bonds to the public, members of the Corporation and /or any other person(s) and to raise further loans, advances or such other facilities from Banks, Financial Institutions and / or any other person(s) on the security or otherwise of its assets without any further approval from the Bondholders.

Bondholder not a Shareholder

The Bondholders will not be entitled to any of the rights and privileges available to the Equity Shareholders.

Governing Law

The Bonds are governed by and shall be construed in accordance with the existing Indian laws. Any dispute arising thereof will be subject to the jurisdiction of the court of Delhi.

Trustees for the Bondholders

The Company has appointed SBICAP Trustee Company Ltd. to act as Trustees for the Bondholders ("Trustees"). The consent letter of the trustee is enclosed in the **Appendix**, for reference. The Company and the Trustees has entered into a Trustee Agreement.

The Company hereby undertakes that a Trust Deed shall be executed by it in favour of the Trustees within three months of the closure of the Issue. The Trust Deed shall contain such clauses as may be prescribed under section 117 A of the Companies Act, 1956 and those mentioned in Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustees or the



Company in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustees or the Company for loss or damage caused by their act of negligence or commission or omission.

The Bondholder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustees may in their absolute discretion deem necessary or require to be done in the interest of the Bondholder(s). Any payment made by the Company to the Trustees on behalf of the Bondholder(s) shall discharge the Company *pro tanto* to the Bondholder(s).

The Trustees will protect the interest of the Bondholders in the event of default by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Company.

No Bondholder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so. In the event of Company defaulting in payment of interest on Bonds or redemption thereof, any distribution of dividend by the Company shall require approval of the Trustees.

Force Majeure

The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Notices

The notices to the Beneficial Owners of Bonds required to be given by the Company shall be deemed to have been given if sent by Registered Post/ Speed Post/ Courier/Ordinary Post to the Registered Beneficial Owner of Bonds and /or if an advertisement is given in a newspaper circulating in the neighborhood of the Registered Office of the Company and/ or if communication in this regard has been effected to the depositories.

All notices to be given by the Beneficial Owners of Bonds shall be sent by Registered Post or by Hand Delivery to the Company or such persons, at such address, as may be notified by the Company from time to time.

Undertaking by the Issuer

The Issuer Company undertakes that:

- the complaints received in respect of the Issue shall be attended to by the issuer company expeditiously and satisfactorily;



- that all the steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchange where the securities are to be listed shall be taken immediately after finalization of basis of allotment
- Necessary co-operation to the credit rating agency (ies) shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
- That the company shall disclose the complete name and address of the debenture trustee in the annual report
- That the company shall provide a compliance certificate to the Bond holders (on yearly basis) in respect of compliance with the terms and conditions of issue of Bonds as contained in the document, duly certified by the debenture trustee.
- That the company shall furnish a confirmation certificate to the debenture trustee (on yearly basis) that the security created by the company in favour of the Bond holders is properly maintained and is adequate enough to meet the payment obligations towards the Bond holders in the event of default



B Issue Details

Term sheet for R1 Tranche

Issuer	NHPC LTD
Type of Instrument	Secured Redeemable, Non Convertible, Non Cumulative, Taxable Bonds (R Series) in the nature of Debentures
Nature of Instrument	Secured
Seniority	Senior and Unsubordinated
Mode of Issue	Private Placement through Book building route
Eligible Investors	<ul style="list-style-type: none"> • Companies and Bodies Corporate including Public Sector Undertakings • Scheduled Commercial Banks • Regional Rural Banks • Co operative Banks • Financial Institutions • Insurance Companies • Mutual Funds • Provident, Pension, Superannuation & Gratuity Funds • Port Trusts • Any other investor authorised to invest in these bonds, subject to confirmation from the issuer.
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	Proposed on the Wholesale Debt Market (WDM) Segment of National Stock Exchange (NSE) tentatively on 1 st Mar 2013, Friday
Rating of the Instrument	1. IND AAA(exp)" by India Ratings & Research Pvt. Ltd.(A Fitch Group Company) . 2. "(ICRA)AAA" By ICRA
Issue Size	Rs 54.00 Crores
Option to retain oversubscription (Amount)	Rs 36.00 Crores
Objects of the Issue	To meet the debt requirement of ongoing construction projects including recoupment of expenditure already incurred.
Details of the utilization of the Proceeds	<p>Chutak (J&K)</p> <p>Nimoo Bazgo (J&K)</p> <p>Teesta Low Dam III (W.B.)</p> <p>Uri II (J&K)</p> <p>Parbati III (H.P.)</p> <p>Teesta Low Dam IV (W.B.)</p> <p>Parbati II (H.P.)</p> <p>Subansiri Lower (Ar.Pradesh/ Assam)</p> <p>Kishanganga (J&K)</p>
Coupon Rate	8.70% (Fixed through book building procedure)
Step Up / Step Down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon payment dates	Anniversary date of the date of allotment



Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	None
Day Count Basis	Actual/ Actual Interest shall be computed on an “actual/actual basis”. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application Money	Interest at the coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer’s Bank Account upto one day prior to the Deemed Date of Allotment
Default Interest Rate	In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid
Tenor	13 years of Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 2nd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 2nd,3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th and 13th year respectively.)
Redemption Date	Anniversary date of the date of allotment (Bonds are redeemable at par in 12 equal annual installments starting at the end of 2nd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 2nd,3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th and 13th year respectively.)
Redemption Amount	At Par Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments of Rs 1.00 Lac each starting at the end of 2nd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 2nd,3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th and 13th year respectively.)



Redemption Premium / Discount	Nil
Issue Price	At Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 2nd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs)
Discount at which security is issued and the effective yield as a result of such discount.	None
Put Option Date	None
Put Option Price	None
Call Option Date	None
Call Option Price	None
Put Notification Time	None
Call Notification Time	None
Face Value	Rs. 12 lakhs per instrument
Minimum Application and in multiples of ----- Debt Securities thereafter	Rs 12 Lacs and in multiple thereof
Issue Timing	
Issue Opening Date	At 10.00 Hrs on 30th Jan 2013, Wednesday
Issue Closing Date	At 15.00 Hrs on 31st Jan 2013, Thursday
Pay-in Date	5 th Feb 2013, Tuesday
Deemed Date of Allotment	11 th Feb 2013, Monday
Issuance mode of the instrument	Demat
Trading mode of the instrument	Demat
Settlement mode of the instrument	Payment of Interest and repayment of Principal shall be made by way of ECS / Direct Credit / RTGS / NEFT/ Cheque (s) / Warrant (s) / Demand Draft (s).
Depository	National Securities Depository Ltd. (NSDL) & Central Depository Services Ltd. (CDSL)
Business Day Convention	Business Day' shall be a day on which commercial banks are open for business in the city of Delhi. Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Delhi, payment shall be done on the immediate preceding working day in Delhi with Interest upto the day preceding the actual date of payment.
Record Date	15 days prior to each Coupon Payment Date and redemption date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	The Bonds will be secured by way of first pari-passu charge on the Parbati –II H.E Project in Himachal Pradesh of the Company, i.e., The charge will be created in favour of Debenture Trustee on behalf of the Bondholders in such form and manner in one or more tranches and through one or more security documents as considered appropriate by the Company of value not less than 1.00 times the value of the Bonds outstanding.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:



	<ol style="list-style-type: none"> 1. Letter appointing Trustees to the Bondholders; 2. Debenture Trusteeship Agreement; 3. Debenture Trust Deed; 4. Rating Agreement with ICRA; 5. Rating Agreement with FITCH; 6. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 7. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 8. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; 9. Application made to NSE for seeking its in-principle approval for listing of Bonds; 10. Listing Agreement with NSE; 11. Letters appointing Arrangers to the Issue.
<p>Conditions Precedent to Disbursement</p>	<p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> 1. Rating letter(s) from the aforesaid rating agency(ies) not being more than one month old from the issue opening date; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); 3. Letter from NSE conveying its in-principle approval for listing of Bonds.
<p>Conditions Subsequent to Disbursement</p>	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Disclosure Document:</p> <ol style="list-style-type: none"> 1. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment; 2. Making application to NSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment in terms of sub-section (1) of Section 73 of the Companies Act, 1956(1 of 1956); 3. Execution of Debenture Trust Deed for creation of security within time frame prescribed in the relevant regulations/ act/ rules etc. <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</p>



Events of Default	<p>If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an “Event of Default” by the Issuer.</p> <p>Besides, it would also constitute an “Event of Default” by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Disclosure Document, Debenture Trusteeship Agreement and Debenture Trust Deed, which in opinion of the Trustees is incapable of remedy.</p>
Remedies	<p>Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Bondholder(s), declare the amounts outstanding to be due and payable forthwith and the security created under the security documents shall become enforceable, and the Trustees shall have the right to enforce any security created pursuant to the security documents towards repayment of the amounts outstanding and/or exercise such other rights as the Trustees may deem fit under the applicable laws.</p>
Provisions related to Cross Default Clause	N/A
Role and Responsibilities of Debenture Trustee	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, the Trust Deed, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Bonds. The Trustees shall ensure disclosure of all material events on an ongoing basis and shall supervise the implementation of the conditions regarding creation of security for the Bonds and Debenture/ Bond Redemption</p>



	<p>Reserve.</p> <p>The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all 'Qualified Institutional Buyers' (QIBs) and other existing Bondholder(s) within two working days of their specific request.</p>
<p>Governing Law and Jurisdiction</p>	<p>The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi.</p>
<p>Additional Covenants</p>	<ol style="list-style-type: none"> 1. Security Creation: In the event of delay in execution of Debenture Trust Deed and/or other security document(s), the Issuer shall refund the subscription at the Coupon Rate or shall pay penal interest of 2.00% per annum over the Coupon Rate till such conditions are complied with, at the option of the Bondholder(s). 2. Default in Payment: In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid. 3. Delay in Listing: The Issuer shall complete all the formalities and seek listing permission within 20 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the



	<p>expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s). The interest rates mentioned in above three covenants shall be independent of each other.</p>
--	--

Term sheet for R2 Tranche

Issuer	NHPC LTD
Type of Instrument	Secured Redeemable, Non Convertible, Non Cumulative, Taxable Bonds (R Series) in the nature of Debentures
Nature of Instrument	Secured
Seniority	Senior and Unsubordinated
Mode of Issue	Private Placement through Book building route
Eligible Investors	<ul style="list-style-type: none"> • Companies and Bodies Corporate including Public Sector Undertakings • Scheduled Commercial Banks • Regional Rural Banks • Co operative Banks • Financial Institutions • Insurance Companies • Mutual Funds • Provident, Pension, Superannuation & Gratuity Funds • Port Trusts • Any other investor authorised to invest in these bonds, subject to confirmation from the issuer.
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	Proposed on the Wholesale Debt Market (WDM) Segment of National Stock Exchange (NSE) tentatively on 1 st Mar 2013, Friday
Rating of the Instrument	1. "IND AAA(exp)" by India Ratings & Research Pvt. Ltd. (A Fitch Group Company) . 2. "(ICRA)AAA" By ICRA
Issue Size	Rs 300 Crores
Option to retain oversubscription (Amount)	Rs 108 Crores
Objects of the Issue	To meet the debt requirement of ongoing construction projects including recoupment of expenditure already incurred.
Details of the utilization of the Proceeds	<p>Chutak (J&K) Nimoo Bazgo (J&K) Teesta Low Dam III (W.B.) Uri II (J&K) Parbati III (H.P.) Teesta Low Dam IV (W.B.) Parbati II (H.P.) Subansiri Lower (Ar.Pradesh/ Assam)</p>



	Kishanganga (J&K)
Coupon Rate	8.85%(Fixed through book building procedure)
Step Up / Step Down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon payment dates	Anniversary date of the date of allotment
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	None
Day Count Basis	Actual/ Actual Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application Money	Interest at the coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Deemed Date of Allotment
Default Interest Rate	In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid
Tenor	14 years of Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 3rd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th, 13th and 14th year respectively.)
Redemption Date	Anniversary date of the date of allotment (Bonds are redeemable at par in 12 equal annual installments starting at the end of 3rd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th,13th and 14th year respectively.)
Redemption Amount	At Par Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual



	installments of Rs 1.00 Lac each starting at the end of 3rd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 3rd,4th, 5th, 6th, 7th , 8th , 9th, 10th, 11th, 12th,13th and 14th year respectively.)
Redemption Premium / Discount	Nil
Issue Price	At Face value of Rs 12.00 Lac each (Bonds are redeemable at par in 12 equal annual installments starting at the end of 3rd year. Each bond will comprise of 12 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs)
Discount at which security is issued and the effective yield as a result of such discount.	None
Put Option Date	None
Put Option Price	None
Call Option Date	None
Call Option Price	None
Put Notification Time	None
Call Notification Time	None
Face Value	Rs. 12 lakhs per instrument
Minimum Application and in multiples of ----- Debt Securities thereafter	Rs 12 Lacs and in multiple thereof
Issue Timing Issue Opening Date	At 10.00 Hrs on 30th Jan 2013, Wednesday
Issue Closing Date	At 15.00 Hrs on 31st Jan 2013, Thursday
Pay-in Date	5th Feb 2013, Tuesday
Deemed Date of Allotment	11th Feb 2013, Monday
Issuance mode of the instrument	Demat
Trading mode of the instrument	Demat
Settlement mode of the instrument	Payment of Interest and repayment of Principal shall be made by way of ECS / Direct Credit / RTGS / NEFT/ Cheque (s) / Warrant (s) / Demand Draft (s).
Depository	National Securities Depository Ltd. (NSDL) & Central Depository Services Ltd. (CDSL)
Business Day Convention	Business Day' shall be a day on which commercial banks are open for business in the city of Delhi. Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Delhi, payment shall be done on the immediate preceding working day in Delhi with Interest upto the day preceding the actual date of payment.
Record Date	15 days prior to each Coupon Payment Date and redemption date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	The Bonds will be secured by way of first pari-passu charge on the Parbati –II H.E Project in Himachal Pradesh of the Company, i.e., The charge will be created in favour of Debenture Trustee on behalf of the Bondholders in such form and manner in one or more tranches and



	through one or more security documents as considered appropriate by the Company of value not less than 1.00 times the value of the Bonds outstanding.
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 1. Letter appointing Trustees to the Bondholders; 2. Debenture Trusteeship Agreement; 3. Debenture Trust Deed; 4. Rating Agreement with ICRA; 5. Rating Agreement with FITCH ; 6. Tripartite Agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; 7. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 8. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; 9. Application made to NSE for seeking its in-principle approval for listing of Bonds; 10. Listing Agreement with NSE; 11. Letters appointing Arrangers to the Issue.
Conditions Precedent to Disbursement	<p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> 1. Rating letter(s) from the aforesaid rating agency(ies) not being more than one month old from the issue opening date; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); 3. Letter from NSE conveying its in-principle approval for listing of Bonds.
Conditions Subsequent to Disbursement	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Disclosure Document:</p> <ol style="list-style-type: none"> 1. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment; 2. Making application to NSE within 15 days from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment in terms of sub-section (1) of Section 73 of the Companies Act, 1956(1 of 1956); 3. Execution of Debenture Trust Deed for



	<p>creation of security within time frame prescribed in the relevant regulations/ act/ rules etc.</p> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</p>
Events of Default	<p>If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an “Event of Default” by the Issuer.</p> <p>Besides, it would also constitute an “Event of Default” by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Disclosure Document, Debenture Trusteeship Agreement and Debenture Trust Deed, which in opinion of the Trustees is incapable of remedy.</p>
Remedies	<p>Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Bondholder(s), declare the amounts outstanding to be due and payable forthwith and the security created under the security documents shall become enforceable, and the Trustees shall have the right to enforce any security created pursuant to the security documents towards repayment of the amounts outstanding and/or exercise such other rights as the Trustees may deem fit under the applicable laws.</p>
Provisions related to Cross Default Clause	N/A
Role and Responsibilities of Debenture Trustee	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, the Trust Deed, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to</p>



	<p>appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Bonds. The Trustees shall ensure disclosure of all material events on an ongoing basis and shall supervise the implementation of the conditions regarding creation of security for the Bonds and Debenture/ Bond Redemption Reserve.</p> <p>The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all 'Qualified Institutional Buyers' (QIBs) and other existing Bondholder(s) within two working days of their specific request.</p>
Governing Law and Jurisdiction	<p>The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi.</p>
Additional Covenants	<ol style="list-style-type: none"> 1. Security Creation: In the event of delay in execution of Debenture Trust Deed and/or other security document(s), the Issuer shall refund the subscription at the Coupon Rate or shall pay penal interest of 2.00% per annum over the Coupon Rate till such conditions are complied with, at the option of the Bondholder(s). 2. Default in Payment: In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid. 3. Delay in Listing: The Issuer shall complete all the formalities and seek listing



	<p>permission within 20 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).</p> <p>The interest rates mentioned in above three covenants shall be independent of each other.</p>
--	---

Term sheet for R3 Tranche

Issuer	NHPC LTD
Type of Instrument	Secured Redeemable, Non Convertible, Non Cumulative, Taxable Bonds (R Series) in the nature of Debentures
Nature of Instrument	Secured
Seniority	Senior and Unsubordinated
Mode of Issue	Private Placement through Book building route
Eligible Investors	<ul style="list-style-type: none"> • Companies and Bodies Corporate including Public Sector Undertakings • Scheduled Commercial Banks • Regional Rural Banks • Co operative Banks • Financial Institutions • Insurance Companies • Mutual Funds • Provident, Pension, Superannuation & Gratuity Funds • Port Trusts • Any other investor authorised to invest in these bonds, subject to confirmation from the issuer.
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	Proposed on the Wholesale Debt Market (WDM) Segment of National Stock Exchange (NSE) tentatively on 1st Mar 2013, Friday
Rating of the Instrument	1. IND AAA (exp)" by India Ratings & Research Pvt Ltd. (A Fitch Group Company). 2. "(ICRA)AAA" By ICRA
Issue Size	Rs 646 Crores
Option to retain oversubscription (Amount)	Rs 356 Crores
Objects of the Issue	To meet the debt requirement of ongoing construction projects including recoupment of expenditure already incurred.
Details of the utilization of the Proceeds	Chutak (J&K) Nimoo Bazgo (J&K)



	Teesta Low Dam III (W.B.) Uri II (J&K) Parbati III (H.P.) Teesta Low Dam IV (W.B.) Parbati II (H.P.) Subansiri Lower (Ar.Pradesh/ Assam) Kishanganga (J&K)
Coupon Rate	8.78%(Fixed through book building procedure)
Step Up / Step Down Coupon Rate	None
Coupon Payment Frequency	Annual
Coupon payment dates	Anniversary date of the date of allotment
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	None
Day Count Basis	Actual/ Actual Interest shall be computed on an “actual/actual basis”. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on Application Money	Interest at the coupon rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer’s Bank Account upto one day prior to the Deemed Date of Allotment
Default Interest Rate	In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid
Tenor	15 years of Face value of Rs 10.00 Lac each (Bonds are redeemable at par in 10 equal annual installments starting at the end of 6th year. Each bond will comprise of 10 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of end of 6th, 7th , 8th , 9th, 10th, 11th, 12th , 13th , 14th & 15th year respectively.)
Redemption Date	Anniversary date of the date of allotment (Bonds are redeemable at par in 10 equal annual installments starting at the end of 6th year. Each bond will comprise of 10 Detachable, Separately



	Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th & 15th year respectively.)
Redemption Amount	At Par Rs 10.00 Lac each (Bonds are redeemable at par in 10 equal annual installments of Rs 1.00 Lac each starting at the end of 6th year. Each bond will comprise of 10 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs) redeemable at par at the end of 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th & 15th year respectively.)
Redemption Premium / Discount	Nil
Issue Price	At Face value of Rs 10.00 Lac each (Bonds are redeemable at par in 10 equal annual installments starting at the end of 6th year. Each bond will comprise of 10 Detachable, Separately Transferable Redeemable Principal Parts (STRPPs)
Discount at which security is issued and the effective yield as a result of such discount.	None
Put Option Date	None
Put Option Price	None
Call Option Date	None
Call Option Price	None
Put Notification Time	None
Call Notification Time	None
Face Value	Rs. 10 lakhs per instrument
Minimum Application and in multiples of ----- Debt Securities thereafter	Rs 10 Lacs and in multiple thereof
Issue Timing	
Issue Opening Date	At 10.00 Hrs on 30th Jan 2013, Wednesday
Issue Closing Date	At 15.00 Hrs on 31st Jan 2013, Thursday
Pay-in Date	5th Feb 2013, Tuesday
Deemed Date of Allotment	11th Feb 2013, Monday
Issuance mode of the instrument	Demat
Trading mode of the instrument	Demat
Settlement mode of the instrument	Payment of Interest and repayment of Principal shall be made by way of ECS / Direct Credit / RTGS / NEFT/ Cheque (s) / Warrant (s) / Demand Draft (s).
Depository	National Securities Depository Ltd. (NSDL) & Central Depository Services Ltd. (CDSL)
Business Day Convention	Business Day' shall be a day on which commercial banks are open for business in the city of Delhi. Should any of dates defined above or elsewhere in the Disclosure Document, excepting the Date of Allotment, fall on a Sunday or a Public Holiday in Delhi, payment shall be done on the immediate preceding working day in Delhi with Interest upto the day preceding the actual date of payment.
Record Date	15 days prior to each Coupon Payment Date



	and redemption date.
Security (where applicable) (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	The Bonds will be secured by way of first pari-passu charge on the Parbati –II H.E Project in Himachal Pradesh of the Company, i.e., The charge will be created in favour of Debenture Trustee on behalf of the Bondholders in such form and manner in one or more tranches and through one or more security documents as considered appropriate by the Company of value not less than 1.00 times the value of the Bonds outstanding.
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue:</p> <ol style="list-style-type: none"> 1. Letter appointing Trustees to the Bondholders; 2. Debenture Trusteeship Agreement; 3. Debenture Trust Deed; 4. Rating Agreement with ICRA; 5. Rating Agreement with FITCH; 6. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 7. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 8. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; 9. Application made to NSE for seeking its in-principle approval for listing of Bonds; 10. Listing Agreement with NSE; 11. Letters appointing Arrangers to the Issue.
Conditions Precedent to Disbursement	<p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> 1. Rating letter(s) from the aforesaid rating agency(ies) not being more than one month old from the issue opening date; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); 3. Letter from NSE conveying its in-principle approval for listing of Bonds.
Conditions Subsequent to Disbursement	<p>The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Disclosure Document:</p> <ol style="list-style-type: none"> 1. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment; 2. Making application to NSE within 15 days



	<p>from the Deemed Date of Allotment to list the Bonds and seek listing permission within 20 days from the Deemed Date of Allotment in terms of sub-section (1) of Section 73 of the Companies Act, 1956(1 of 1956);</p> <p>3. Execution of Debenture Trust Deed for creation of security within time frame prescribed in the relevant regulations/ act/ rules etc.</p> <p>Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</p>
Events of Default	<p>If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an “Event of Default” by the Issuer.</p> <p>Besides, it would also constitute an “Event of Default” by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Disclosure Document, Debenture Trusteeship Agreement and Debenture Trust Deed, which in opinion of the Trustees is incapable of remedy.</p>
Remedies	<p>Upon the occurrence of any of the Events of Default, the Trustees shall on instructions from majority Bondholder(s), declare the amounts outstanding to be due and payable forthwith and the security created under the security documents shall become enforceable, and the Trustees shall have the right to enforce any security created pursuant to the security documents towards repayment of the amounts outstanding and/or exercise such other rights as the Trustees may deem fit under the applicable laws.</p>
Provisions related to Cross Default Clause	N/A
Role and Responsibilities of Debenture Trustee	<p>The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship</p>



	<p>Agreement, the Trust Deed, Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.</p> <p>The Trustees shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Bonds. The Trustees shall ensure disclosure of all material events on an ongoing basis and shall supervise the implementation of the conditions regarding creation of security for the Bonds and Debenture/ Bond Redemption Reserve.</p> <p>The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustees and the Trustees shall be obliged to share the details so submitted with all 'Qualified Institutional Buyers' (QIBs) and other existing Bondholder(s) within two working days of their specific request.</p>
Governing Law and Jurisdiction	<p>The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi.</p>
Additional Covenants	<p>Security Creation: In the event of delay in execution of Debenture Trust Deed and/or other security document(s), the Issuer shall refund the subscription at the Coupon Rate or shall pay penal interest of 2.00% per annum over the Coupon Rate till such conditions are complied with, at the option of the Bondholder(s).</p> <p>Default in Payment: In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the Coupon Rate payable on the Bonds, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount</p>



	<p>becomes due and upto but excluding the date on which such amount is actually paid.</p> <p>Delay in Listing: The Issuer shall complete all the formalities and seek listing permission within 20 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).</p> <p>The interest rates mentioned in above three covenants shall be independent of each other.</p>
--	--



Annexure

DRAFT/SAMPLE FORMAT OF LETTER OF COMMITMENT FROM INVESTORS

(To be furnished on Investors/Arrangers letter head)

(Please indicate STD Code, Tel and Fax Nos.)

Date: DD/MM/YYYY

Application Form No.-----

NHPC Limited,
NHPC Office Complex,
Sector-33, Faridabad – 121 003 (Haryana)

Dear Sir (s)

We refer to your Disclosure Document for Private Placement of Secured, non-convertible, noncumulative, redeemable, taxable bonds in the nature of Debentures R Series addressed to us giving details of the proposed placement of Rs. 1000 Crores with Green Shoe Option of upto Rs.500 Crores.

We hereby commit to invest in the aforesaid issue. Our requirement is shown in the following table:

For R1* (Rs 54 Crores with green shoe upto 36 Crores)

A: At Coupon Rate (%) p.a. (payable Annually) (within 8.50%-8.85%)	B: No. of Bonds at "A" or at higher coupon	Total amount at "A" or at a higher coupon (B X ----) (Rs.)
	OR	
At Cut-off Rate		

For R2*(Rs 300 Crores with green shoe upto 108 Crores)

A: At Coupon Rate (%) p.a. (payable Annually) (within 8.50%-8.85%)	B: No. of Bonds at "A" or at higher coupon	Total amount at "A" or at a higher coupon (B X ----) (Rs.)
	OR	
At Cut-off Rate		

For R3*(Rs 646 Crores with green shoe upto 356 Crores)

A: At Coupon Rate (%) p.a. (payable Annually) (within 8.50%-8.85%)	B: No. of Bonds at "A" or at higher coupon	Total amount at "A" or at a higher coupon (B X ----) (Rs.)
	OR	
At Cut-off Rate		

***Note Out of the total commitment amount of the 3 tranches mentioned above the arranger shall ensure a minimum commitment of 9% in R1 tranche rounded off to nearest multiple of Rs 12 Lakh.**



This letter is an irrevocable commitment from us to subscribe to the said number of bonds, subject to your acceptance, unless superseded by a subsequent letter from us, delivered to you before the closure of the book i.e. on (31.01.2013 15.00 Hrs).

Kindly allocate to us the desired number of bonds or any such lesser quantity as may be decided by you. As outlined above in the Disclosure Document for Private Placement, we undertake to send our Application Form along with the remittance through RTGS and other necessary documents on 05-02-2013 (Pay-in Date) or such other date that may be intimated to us in the event of the closure of book prior to/after (Closing Date & Time) in respect of the bonds that may be allocated to us.

Thanking You,

Yours faithfully,

(Name & Designation)

For (Name of Investor)

Authorized Signatory

Tel. No. _____ FAX No. _____

PAN _____ DP Name _____

DP ID _____ Client ID _____ House/Non-House



XIX. DECLARATION

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008 as amended and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 Issued vide CIRCULAR NO. LAD-NRO/GN/2012-13/19/5392 Dated October 12, 2012)

The Company also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Company accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to the authority granted by Board of Directors of the Company at their meeting held on 05.01.2013.

For NHPC Ltd.

-sd-
(Jayant Kumar)
General Manager (Finance)
Place: Faridabad
Date: 01.02.2013