

No. CARE/DRO/RL/2019-20/3522  
Mr. Mahesh Kumar Mittal  
Director (Finance)  
NHPC Limited  
NHPC Office Complex,  
Sector 33, Faridabad - 121003

March 02, 2020

**Confidential**

Dear Sir,

**Credit rating for proposed long term bonds issue (AA1 Series) of up to Rs.500 crore (within the overall long-term bond issue of Rs.2,000 crore)**

Please refer to our letter number CARE/DRO/RL/2019-20/3320 dated February 05, 2020 and your request for revalidation of the rating assigned to the proposed bond issue (AA1 Series) aggregating Rs 500 crore (within the overall long term bond issue of Rs 2,000 crore). The proposed bonds would have door-to-door tenure of 10 years and repayable in five equal tranches at the end of 6th year, 7th year, 8th year, 9th year and 10th year respectively.

2. The following ratings have been reviewed:

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long term instruments – Proposed bonds (AA Series)	2,000* (Rs. Two thousand crore only)	CARE AAA; Stable (Triple A; Outlook Stable)	Reaffirmed

\*Raised Rs 1,500 crore till February 29, 2020

- The details of the instruments rated are provided in Annexure 1.
- Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of this letter.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

- Kindly arrange to submit to us a copy of each of the documents pertaining to the Bonds issue, including the offer document and the trust deed.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

  
[Harsh Vardhan Tapuria]  
Deputy Manager  
[harsh.tapuria@careratings.com]

  
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CARE Ratings Ltd.



Encl.: As above

**Disclaimer**

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**Annexure 1 - Details of facilities rated**

S.no	ISIN	Bond Series	Issue Date	Rated Amount (in Rs. Crore)	Coupon	Maturity date
1	INE848E07AY3	AA Series	11.02.2020	300.00	7.13%	11.02.2026
2	INE848E07AZ0		11.02.2020	300.00	7.13%	11.02.2027
3	INE848E07BA1		11.02.2020	300.00	7.13%	11.02.2028
4	INE848E07BB9		11.02.2020	300.00	7.13%	11.02.2029
5	INE848E07BC7		11.02.2020	300.00	7.13%	11.02.2030
	<b>Total</b>			<b>1,500.00</b>		
6	Proposed	AA1 Series	-	500.00	-	-