

February 21, 2023^(Revised)

Tidong Power Generation Private Limited: Update on entity

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based - Term loan	1240.0	1240.0	[ICRA]A+(CE)(Stable); outstanding
Total	1240.0	1240.0	

*Instrument details are provided in Annexure-1

Rating Without Explicit Credit Enhancement	[ICRA]BBB+
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*Instrument details are provided in Annexure-1

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and its structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The last row in the table above captures ICRA's opinion on the rating without factoring in the explicit credit enhancement

Rationale

ICRA has an outstanding rating of [ICRA]A+(CE)(Stable) for the bank loan availed by Tidong Power Generation Private Limited (TPGPL). These ratings are backed by a corporate guarantee from its parent, Statkraft AS, rated Moody's A3(Stable). Statkraft is one of the largest renewable power producers in Europe and is wholly owned by the Norwegian state. To part fund its under-development 150-MW hydro-electric project in Himachal Pradesh, TPGPL had availed term loans of Rs. 1,240 crore which are to be repaid in bullet repayments in March 2023/December 2023. ICRA notes that the debt repayment is not to be funded from project cash flows and remains contingent upon the sponsor's ability to make adequate and timely refinancing arrangements. ICRA continues to take comfort from the explicit support extended by the sponsor for TPGPL's entire sanctioned debt and expects that adequate refinancing arrangements will be made in a timely manner, as seen in the past. ICRA expects Statkraft AS to play a key role in making refinancing arrangements/or infusing equity prior to the due date. ICRA will continue to monitor the developments in this regard.

Further, ICRA notes that there have been slippages in the project cost as well as the commercial operation date. However, the details of the same are yet to be finalised and here too ICRA would be monitoring the developments closely.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities and Key financial indicators: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Approach for rating debt instruments backed by third-party explicit support
Parent/Group Support	Not Applicable
Consolidation/Standalone	The rating is based on the company's standalone financials

About the company

In September 2018, Statkraft AS acquired 100% shares in TPGPL, earlier promoted by the Nuziveedu Seeds Limited (NSL) Group. TPGPL is developing a 150-MW run-of-the-river hydroelectric project on the Tidong river (a tributary of Sutlej river) in the Kinnaur district of Himachal Pradesh.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2023)				Chronology of rating history for the past 3 years		
		Type	Amount rated (Rs. crore)	Amount outstanding as on October 31, 2021 (Rs. crore)	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020
					21-Feb-2023	28-Dec-2021	31-Mar-2021	11-Sep-2019
1	Long-term fund-based - Term loan	Long-term	1240.0	938.0	[ICRA]A+(CE) (Stable)	[ICRA]A+(CE) (Stable)	[ICRA]A+(CE) (Stable)	[ICRA]A+(CE) (Stable)
2	Fund/Non-fund based limits	Long-term	-	-	-	[ICRA]A-(CE) (Stable) withdrawn	[ICRA]A-(CE) (Stable)	[ICRA]A-(CE) (Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based - Term loan	Moderately Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term fund-based - Term loan	Aug 2018	NA	Dec 2023	420.0	[ICRA]A+(CE)(Stable)
NA	Long-term fund-based - Term loan	July 2019	NA	Dec 2023	140.0	[ICRA]A+(CE)(Stable)
NA	Long-term fund-based - Term loan	Aug 2021	NA	Dec 2023	260.0	[ICRA]A+(CE)(Stable)
NA	Long-term fund-based - Term loan	Aug 2021	NA	March 2023	420.0	[ICRA]A+(CE)(Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis - Not Applicable

Corrigendum

The rationale dated February 21, 2023 has been corrected with revisions as detailed below:

- Rating Without Explicit Credit Enhancement (Page 1): The Rating Without Explicit Credit Enhancement of [ICRA]BBB+ has been added.

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About ICRA Limited:

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Branches



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