

## Rairang Hydropower Development Company Limited

### Ratings

| Facilities                 | Amount<br>(Rs. in Million) | Ratings <sup>1</sup> | Rating Action    |
|----------------------------|----------------------------|----------------------|------------------|
| Long Term Bank Facilities  | -                          | -                    | Rating Withdrawn |
| Short Term Bank Facilities | -                          | -                    | Rating Withdrawn |
| Total Bank Facilities      | -                          |                      |                  |

### Detailed description of the key rating drivers

CARE Ratings Nepal Limited (CRNL) has revised the ratings from "CARE-NP BBB-; ISSUER NOT COOPERATING" and CARE-NP A3; ISSUER NOT COOPERATING" to "CARE-NP BB+; ISSUER NOT COOPERATING" and CARE-NP A4+; ISSUER NOT COOPERATING" assigned to the bank facilities of Rairang Hydropower Development Company Limited (RHDCL) and subsequently withdrawn the ratings with immediate effect as RHDCL had failed to provide information for monitoring of the rating. In line with the extant guidelines of Securities Board of Nepal (SEBON), CRNL has reviewed the rating on the basis of the best available information and kept the rating on Notice of Withdrawal for six months which however, in CRNL's opinion is not sufficient to arrive at a fair rating. Therefore, after the monitoring of the ratings for six months there is no cooperation from the Issuer, accordingly CRNL has withdrawn the ratings.

The ratings assigned to the bank facilities of RHDCL have been revised on account of non-availability of requisite information. Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

### About the Company

RHDCL is a public limited company, incorporated in May 09, 2002 as a private limited company and later converted to public limited company in May 04, 2014. It is promoted by institutional investors and individual promoters having long experience in the hydropower sector for setting up Hydroelectric Project in Nepal. RHDCL had acquired 0.5 MW run-of-the-river Rairang Hydropower Project (RHP) at Dhading District which has been in commercial operation since 2011 and also it has been involved in the operation of 9.9 MW Iwakhola Hydropower Project (IKHP) at Taplejung & Panchthar district which has been in commercial operation since October 2019. IKHP is constructed under BOOT (Build, own, Operate and Transfer) mechanism.

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

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In case of partnership/proprietary concerns, the rating 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 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.