

Super Hewa Power Company Limited

Ratings

Facility/Instrument	Amount (Rs. in Million)	Ratings ¹	Rating Action
Long Term Bank Facilities	813.40 (Increased from 673.40)	CARE-NP BB- [Double B Minus] (Credit Watch with Negative Implications)	Placed on Credit Watch with Negative Implications
Total Facilities	813.40 (Eight Hundred Thirteen Million and Four Hundred Thousand Only)		

* Details of Facilities in Annexure 1

CARE Ratings Nepal Limited (CRNL) has placed the rating of 'CARE-NP BB-' for the long-term bank facilities of Super Hewa Power Company Limited (SHPCL) on credit watch with negative implications.

Detailed Rationale & Key Rating Drivers

The rating assigned to the bank facilities of SHPCL have been placed on credit watch with negative implications factoring significant damages in SHPCL's 6 MW under-construction Super Hewa Small Hydropower Project (SHSHP) due to the massive flood that occurred on June 17, 2023. The project's civil, hydromechanical and electromechanical works have been impacted with initial damage assessment of around Rs. 400 Mn. Full assessment of damages including coverage from insurance are yet to be finalized. Consequently, the project's construction is likely to be delayed than earlier envisaged. The company's ability to timely and adequately secure the funds to repair the plant and commence commercial operations within the Required Commercial Operations Date (RCOD) will remain critical from credit perspective. CRNL will resolve the rating watch once clarity emerges on the extent and scope of impact on SHPCL of the above event.

About the Company

Super Hewa Power Company Limited (SHPCL) is a public limited company, incorporated on November 23, 2010 as private limited company and converted into public limited company on July 14, 2022. It is promoted by an institutional promoter and several individual promoters with different industry backgrounds. SHPCL is setting up Super Hewa Small Hydropower Project (SHSHP) having installed capacity of 6 MW run-of-river in "BOOT" (Build, Own, Operate and transfer) model located at Sankhuwasabha district of Nepal.

Annexure 1: Details of the Facilities Rated

Name of the Bank Facilities	Type of the Facility	Amount (Rs. In Million)	Rating
Long Term Bank Facilities	Term Loan	813.40	CARE-NP BB- [Double B Minus]

Contact Us

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¹Complete definitions of the ratings assigned are available at www.careratingsnepal.com and in other CRNL publications

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About CARE Ratings:

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