

India Ratings Assigns Nuclear Power Corporation of India's Additional Term Loans 'IND AAA'/Stable; Affirms Existing Ratings

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India Ratings and Research (Ind-Ra) has taken the following rating actions on Nuclear Power Corporation of India Limited (NPCIL):

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Long-Term Issuer Rating					IND AAA/Stable	Affirmed
Term loan	-	-	June 2037	INR128.18 (increased from INR103.18)	IND AAA/Stable	Affirmed
Non-convertible debentures (NCDs)*				INR126.1	IND AAA/Stable	Affirmed
Proposed term loan	-	-	-	INR45.5	IND AAA/Stable	Assigned

*Details in annexure

Analytical Approach: Ind-Ra continues to factor in the strong legal and strategic linkages between NPCIL and the government of India (GoI) to arrive at the ratings. Ind-Ra has considered NPCIL's standalone financials to arrive at the ratings.

Key Rating Drivers

For the detailed rating rationale, please [click here](#).

Rating Sensitivities

Negative: Any weakening of linkages with the GoI could be negative for the ratings. Lower-than-expected operating PLFs impacting the profitability, on a sustained basis, could also result in a negative rating action.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on NPCIL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

Company Profile

NPCIL was incorporated in 1987, after taking over 1,060MW of operational and 880MW of under-construction assets from Nuclear Power Board. NPCIL's 6,780MW operational portfolio comprises two boiling water reactors of 320MW, 18 PHWRs of 4,460MW and two LWR of 2,000MW. Most of the operational stations under PHWR are 220MW with two being 540MW each. The last capacity addition for NPCIL was an addition of two 1,000MW LWR reactors in Kundankulam, with the first reactor starting commercial operations in 2014 and second one in 2017.

FINANCIAL SUMMARY

Particulars	1HFY23	FY22	FY21
Revenues (INR billion)	67.3	150.4	133.4
EBITDA (INR billion)	14.7	81.0	68.9
EBITDA margins (%)	21.9	53.9	51.7
Gross debt (INR billion)	684.9	651.4	558.3
Net debt/EBITDA (x)	-	7.8	7.5
Gross interest coverage (x)	4.3	12.6	9.2
Source: NPCIL, Ind-Ra			
Note: The financials figures and ratios are based on the agency's internal adjustment/formula and may differ from the company's reported financials			

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Rating Type	Rated Limits (billion)	Current Ratings/Outlook	Historical			
				14 March 2023	15 December 2022	23 September 2022	4
Issuer rating	Long-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	AA
NCDs	Long-term	INR126.1	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	AA

Term loans	Long-term	INR173.68	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	AA
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Annexure

Instrument Type	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCDs	INE206D08469	23 January 2020	7.34	23 January 2030	INR23	IND AAA/Stable
NCDs	INE206D08477	23 March 2021	6.80	21 March 2031	INR17.85	IND AAA/Stable
NCDs	INE206D08485	24 March 2022	6.89	24 March 2037	INR36.75	IND AAA/Stable
NCDs	INE206D08493	23 December 2022	7.55	23 December 2032	INR23.5	IND AAA/Stable
NCDs	INE206D08501	21 March 2023	7.70	20 March 2038	INR25	IND AAA/Stable

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Term loans	Low
NCDs	Low
Fund based working capital limits	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

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APPLICABLE CRITERIA

Corporate Rating Methodology**Parent and Subsidiary Rating Linkage****Evaluating Corporate Governance****The Rating Process****DISCLAIMER**

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