

April 9, 2015

CLP India, in one of the first's for the power industry: Issues partially credit enhanced bonds for its Jhajjar Power Plant

- **Marks the first bond issue for CLP India which is one of the largest foreign investors in the Indian Power Sector**
- **CLP India is one of the first power sector companies in India to issue asset-specific bonds**

Mumbai: CLP India, one of the largest foreign investors in the Indian power sector, today announced that it's wholly-owned subsidiary, Jhajjar Power Limited ("JPL"), has issued corporate non-convertible bonds for their biggest asset in the country, the 1,320 MW coal-fired power plant at Jhajjar, Haryana. JPL is raising INR 476 crores through issue of secured, partially-guaranteed, redeemable, non-convertible debentures with final maturity of 11years.

India Ratings and Research Private Limited has assigned a rating of AA+(SO) to the bonds. The bonds, with a semi-annual coupon of 9.99% per annum, are being issued in two series of equal amounts and will mature in April 2025 and April 2026 respectively.

The bonds will be issued on Thursday, 9th April 2015 and will be listed on the Wholesale Debt Market segment of the BSE. Standard Chartered Bank and IDFC Limited are the lead managers to the issue.

Key benefits:

- **Substantial savings** through lower interest rate and longer tenor
- **Stability** through the 50% backing from the parent CLP India
- **Access to debt capital markets** to raise long term financing for the power projects
- Rear ended payment leading to **surplus cash**

Mr. Rajiv Mishra, Managing Director, CLP India, said, *"At CLP India we have always looked at innovative ways to finance our projects to grow our portfolio and reinforce our commitment to the Indian power market."*

Speaking about the bonds issuance for JPL, he added: *"We believe that this is a positive move; it will enable Jhajjar Power Limited to attract a wider array of investors including Insurance companies, Mutual funds and Foreign Portfolio Investors (FPIs) in an efficient manner. This move also supports the Indian government's vision for growth through deepening of the corporate bond markets in line with the equity markets"*

Mr. Samir Ashta, Director- Finance and Chief Financial Officer, CLP India, said, *“Our aim in the Finance team has been to look at avenues to reduce the cost of debt. As a means to this end, we think of innovative financial structures for our assets which improve the overall project viability. We were the first to introduce the pooled financing model last year to consolidate our wind farm portfolio, which was positively received. We believe that the JPL bonds will present an attractive option for investors. By replacing existing bank debt with a capital market instrument this bond issuance will diversify our debt profile. The AA+ credit rating accreditation presents investors with a beneficial investment product.”*

Mr. Kaustubh Kulkarni, Managing Director & Head Debt Capital Markets, South Asia, Standard Chartered Bank said, *“The partial credit enhanced bond is a first of its kind and will go a long way in the development of the Indian corporate bond markets. The innovative structure achieves the twin objectives of accessing long term funds at competitive rates for the issuer and an attractive long term investment opportunity for the investors. It opens up financing avenues for infrastructure projects which has been a big thrust area for the Government.”*

Mr. Jayen Shah, Head-Debt Capital Market of IDFC Ltd. said, *“ We believe this unique transaction will create a benchmark and pave the way in the future for re-financing of large infrastructure projects, post commissioning. The transaction structure has strategically balanced different objectives of the Issuer in terms of fixed rate long term borrowings, securing a high credit rating from the rating agency and generating appetite from different investor classes. The success of the bond offering augurs well for the Indian debt markets and it indicates the increasing depth, maturity and sophistication of the domestic debt markets.”*

About CLP India

CLP India is the wholly owned subsidiary of CLP Holdings Ltd, which is listed on the Hong Stock Exchange and is one of the leading investor-owned power businesses in Asia. It is one of the largest foreign investors in the Indian power sector with a total committed investment of over INR 14,500 Crores. This investment is spread across a diversified and environment-friendly generation portfolio that covers renewable energy, supercritical coal and gas fired power plants, amounting to over 3,000 MW.

CLP entered the Indian Power Sector in the year 2002 with the acquisition of a 655 MW gas fired power plant which is located in Bharuch, Gujarat. This power plant was one of the first independent power projects in India and complies with the highest level of internationally accepted standards in safety and in environment conservation. In addition to this, CLP India owns and operates a 1,320 MW (2 X 660MW) supercritical coal-fired power plant in Jhajjar, Haryana, which is one of India's first and largest supercritical coal-fired power plants.

CLP India is also one of the largest wind power developers in India with committed wind projects of over 1000 MW that are spread across six states. Wind has been an integral part of CLP India's business strategy and is expected to continue making a vital contribution not only to CLP's growth plans for India but also to its commitment to reducing its CO2 emissions.



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