



GREEN BOND INFORMATION REPORT

NTPC Limited



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1.1 Background

NTPC Limited has formulated its Green Bond framework which has been verified by KPMG and is certified by Climate Bonds Initiative, London. Within the purview of the framework, NTPC has issued 7.375% INR 2000 crores green masala bonds under its USD 6 billion Medium Term Note (MTN) Programme to finance its solar and wind projects.

1.2 Use of proceeds

The amount raised has been fully utilized to finance eligible projects as defined in the Green Bond framework of NTPC i.e. Solar and Wind Projects.

1.3 Allocated projects and assets

The net proceeds from the bond have been entirely utilized in the following projects:

S.No.	Name of the Project	Capacity (MW)	Project type	Project location
1	Solar PV project in Anantpur district, Andhra Pradesh	250	Solar	Andhra Pradesh
2	Solar PV project in Bhadla district, Rajasthan	260	Solar	Rajasthan
3	Solar PV project in Mandsaur district, Madhya Pradesh	250	Solar	Madhya Pradesh
4	Rojmal Wind Project in Gujarat	50	Wind	Gujarat

1.4 Process for monitoring and tracking of proceeds

NTPC has maintained an internal tracking system to monitor and account for the allocation of proceeds through a fund utilization sheet which captures the project details for each of its solar and wind energy project with the net amount paid (in INR), date of payment, purpose of the payment and project location details.

NTPC maintains two Corporate Terms Loan Deposits (CLTDs) with a nationalized bank for the proceeds received from the issue of Green Bonds. The requirements of funds for payment to different projects are included as a separate line item in the fund requisition form sent to the Corporate Treasury in the SAP. Funds requisitioned by the site are utilized only for making payments in the fund requisition and the sites ensure that there is no unutilized balance. The Corporate Treasury remits the funds with intimation to the International Finance section.

1.5 Impact of green bonds

The proceeds of the green bond have been utilized in augmenting solar and wind energy capacities, with a significant impact of avoidance of emissions of CO₂ apart from other air pollutants associated with energy generation. Estimated CO₂ emissions reductions are shared below with the project details:

S. No.	Name of Project	Combined Margin Grid Emission Factor (tCO ₂ /MWh) ¹	Projected Annual Generation (MWh/year)	Projected emission reductions (tCO ₂ / year)
Solar Energy Projects				
1	Solar PV project in Anantpur district, Andhra Pradesh	0.9653	416,100 ²	401,661
2	Solar PV project in Mandasaur district, Madhya Pradesh	0.9653	455,520 ³	439,714
3	Solar PV project in Bhadla, Rajasthan	0.9653	416,100 ⁴	401,661
4	Rojmal wind project in Gujarat	0.9653	107,310 ⁵	103,586

¹ Source: CO₂ Baseline Database for the Indian Power Sector User Guide Version 12.0 May 2017

² PLF of 19% considered as per <http://www.aperc.gov.in/aperc1/assets/uploads/files/46461-03.pdf>. Plant is assumed to be running for 8760 hours in a year (24*365)

³ PLF of 20% considered as per <http://rerc.rajasthan.gov.in/TariffOrders/Order272.pdf>. Plant is assumed to be running for 8760 hours in a year (24*365)

⁴ PLF of 19% considered as per <http://www.mperc.nic.in/080816-SMP-25-16-solar.pdf>. Plant is assumed to be running for 8760 hours in a year (24*365)

⁵ PLF of 24.5% considered as per <http://www.gercin.org/uploaded/document/07c74229-5dc4-4406-89d3-25a82fa0931b.pdf>. Plant is assumed to be running for 8760 hours in a year (24*365)