5. **Rating Letter from CARE**

CARE Ratings
Professional Risk Opinion

20 YEARS

CARE/DRO/RL/2017-18/1343

Mr. Madhup Kumar
Chief General Manager (Finance)
National Highways Authority of India
G-5 & 6, Sector 10, Dwarka
New Delhi - 110075

May 30, 2017

Confidential

Dear Sir,

Credit rating for proposed Long-term Borrowing Programme

Please refer to our letter dated April 18, 2017 and your request for revalidation of the rating assigned to the [illegible] of your company, aggregating to [illegible] [illegible] outstanding.

2. The following rating has been reviewed:

Instrument	Amount (Rs. crore)	Rating	Remarks
Proposed Long-term Borrowing Programme for [illegible]	59,000 (Rupees Fifty Nine Thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.

4. Please inform us the details of issue (date of issue, name of investor, amount issued, interest rate, date of maturity, etc.) as soon as it has been placed.

5. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

6. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications [illegible]

[illegible]

CREDIT ANALYSIS & RESEARCH LTD.

CORPORATE OFFICE: [illegible]
[illegible]
[illegible]
Email: care@careratings.com | www.careratings.com

[illegible]
[illegible] New Delhi 110 055
Tel: [illegible]
Fax: [illegible]

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as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

[Vishesh Mutha]
Deputy Manager
vishesh.mutha@careratings.com

[Gautam Bafna]
Senior Manager
gautam.bafna@careratings.com

Encl.: As above

Disclaimer

[illegible]

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CIN-L67190MH1993PLC071691

3. **Rating Letter from CRISIL**

Ratings

CRISIL

An S&P Global Company

CONFIDENTIAL

[illegible]
May 29, 2017

Mr. Sanjeev Kumar
GM Finance
National Highways Authority of India
G 5&6, Sector-10, Dwarka
Delhi - 110075

Dear Mr. Sanjeev Kumar,

Re: Review of CRISIL Rating on the Rs.55000 Crore Long-Term Borrowing Programme of National Highways Authority of India

All ratings assigned by CRISIL are kept under continuous surveillance and review.

CRISIL has, after due consideration, reaffirmed its "**CRISIL AAA/Stable**" (pronounced as CRISIL triple A rating with Stable outlook) rating on the captioned debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Subhasri Narayanan Majumdar
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301

CRISIL Limited
Corporate Identity Number: L67120MH1987PLC042363

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5800
www.crisil.com

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4. **Rating Letter from ICRA**

ICRA

ICRA Limited

Ref: ICRA/[illegible]/2017-18/N128/3

Date: May 30, 2017

Shri Madhup Kumar
Chief General Manager - Finance
National Highways Authority of India (NHAI)
(Ministry of Road Transport and Highways)
G 5 & 6, Sector 10
Dwarka
New Delhi – 110075

Dear Sir,

Re: ICRA Credit Rating for National Highways Authority of India (NHAI)'s Rs. 59,000 crore Long Term Borrowing Programme for 2017-18

This is with reference to your email dated May 29, 2017, for re-validating your rating for the Long Term Borrowing Programme of Rs. 59,000 crore for 2017-18.

We confirm that the **"[ICRA]AAA"** (pronounced ICRA triple A) rating with a **Stable** outlook, assigned to the captioned Borrowing programme of NHAI and communicated to you vide our letter dated March 31, 2017 stands. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: ICRA/[illegible]/2016-17/N128/[illegible] dated March 31, 2017.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours Sincerely,
for ICRA Limited

Sabyasachi Majumdar
Senior Vice President

Abhishek Sinha
Assistant Vice President

RATING · RESEARCH · INFORMATION

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2. Rating Letter from IRRPL

India Ratings & Research

Fitch Group

Shri Madhup Kumar,
Chief General Manager (Finance)
National Highways Authority of India
G-5&6, Sector
Dwarka, New Delhi - 110075
Telefax: +91 11 25093548

May 31, 2017

Kind Attn: Shri Madhup Kumar, Chief General Manager (Finance)

Dear Sir,

Re: Long-term issuer ratings of National Highways Authority of India

India Ratings and Research (Ind-Ra) is pleased to communicate the following ratings:-

Long-Term Issuer Rating	'IND AAA', Outlook Stable
- INR590bn FY18 borrowing programme (including 54EC bonds for FY18)	Assigned 'IND AAA', Outlook Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

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India Ratings & Research Private Limited A Fitch Group Company
[illegible]
[illegible]

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

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. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings's ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "**India Ratings**" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely

India Ratings

Sandeep Singh
Senior Director

Sudarshan Shreenivas
Director

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SBICAP Trustee Company Ltd.

[illegible]

No.0014/2017-2018/CL - 1852
Date: 19th April, 2017

National Highways Authority of India
G - 5 and 6, Sector 10, Dwarka, New Delhi - 110075
110075

Attn: Mr. Sanjeev Kumar - General Manager [illegible]

Dear Sir,

Appointment of SBICAP Trustee Company Limited as Debenture Trustee for issue of taxable bonds or other instruments [illegible] **financial year** [illegible]

[illegible]

1) One Time Fees	Rs. 25,000/- plus applicable taxes, one time payment, to be paid immediately [illegible]
2) Annual Service Charges	Rs. [illegible] plus applicable taxes payable yearly in advance on 1st April [illegible]
3) Trust Settlement Fee	Rs. 1,000/- [illegible]
4) Out of Pocket Expenses	[illegible]

[illegible]

[illegible]

We request you to kindly contact [illegible]

We look forward for [illegible]

Yours faithfully,

Arijit Pande Mukhopadhyay
Authorised Signatory

We accept the above terms
For
Authorised Signatory

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BSE
EXPERIENCE THE NEW

DCS/COMP/VM/IP-PPDI/988/17-18
May 31, 2017

The Company Secretary
National Highways Authority of India
G-5 & 6, Sector -10,
Dwarka,
New Delhi- 110 075

Dear Sir,

Re: Private Placement of Secured, Non- Convertible, Non-Cumulative, Redeemable, Taxable, Bonds in the nature of Debentures of face value of Rs.10,00,000/- each, aggregating upto Rs.53,279 Crore in one or multiple tranches.

We acknowledge receipt of your application online portal on May 31, 2017 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulations 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time.

This In Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal

VM **Rupal Khandelwal**
Manager

Pranav Singh
Pranav Singh
Associate Manager

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V. SUMMARY TERM SHEET

Issuer	National Highways Authority of India ("NHAI"/ the "Authority"/ the "Issuer")
Issue Size	Rs. 1,525 crores
Objects of the Issue	Part financing of the various projects being implemented by NHAI under the NHDP and other national highway projects as approved by the Government of India
Instrument	Taxable Secured Redeemable Non-Convertible Bonds in the nature of Debentures
Issuance Mode	In Demat mode only
Trading Mode	In Demat mode only
Credit Rating	"CRISIL AAA/Stable" by CRISIL, "[ICRA]AAA/Stable" by ICRA, "IND AAA/Stable" by IRRPL and "CARE AAA" by CARE
Seniority	Secured, Senior and Unsubordinated
Mode of Issue	Private Placement
Security	Mortgage over the property of NHAI situated at Ahmedabad along with fixed assets of NHAI, being highway projects comprising of all superstructures including highway lightings, road barriers and dividers, bridges, culverts and all other super structures constructed on national highways except those under the Surat-Manor Tollway Project entrusted to NHAI with a minimum security cover of one time of the aggregate face value amount of Bonds outstanding at all times. Such security creation requires prior approval and authorization by the Government of India as owner of the land. The No-Objection Certificate has been received by the NHAI from the Government of India in this respect. In case of delay inexecution of Bond/ Debenture Trust Deed and/or other security document(s), the Issuer will refund the subscription with agreed rateof interest or will pay penal interest at the rate of 2.00% p.a.over the respective Coupon Rates of the Bonds till these conditions are compliedwith at the option of the bondholder(s). The Issuer undertakes that it shall execute the Bond/ Debenture Trust Deed and/or other security document(s) within time frame prescribed in the relevant regulations/ act/ rules etc and submit with BSE within five working days of execution of the same for uploading on its website. The creation of such security shall be sufficient compliance of the Issuer's obligation to create security.
Bond Series	NHAI Taxable Bond Series - I
Face Value	Rs. 10 lacs per Bond
Issue Price	At par
Redemption Amount	At par (Rs. 10 lacs) per Bond
Minimum Application	100 Bonds and in multiples of 10 Bond thereafter
Tenor	5 years
Put Option	None
Put Option Price	Not applicable
Put Option Date	Not applicable
Put Notification Time	Not applicable
Call Option	None
Call Option Price	Not applicable
Call Option Date	Not applicable
Call Notification Time	Not applicable
Redemption/ Maturity	5 years from Deemed date of Allotment
Redemption Date	**June 6, 2022**
Coupon Rate	**7.27% p.a.**
Step Up/ Step Down Coupon Rate	Not applicable
Coupon Payment Frequency	Annual

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Coupon Payment Dates	First interest payment date on June 6, 2018 thereafter annually till maturity
Coupon Type	Annual
Coupon Reset Process	Not applicable
Day Count Basis	Actual/ Actual Interest shall be computed on an "actual/actual basis". In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/Actual day count convention) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve timesin line with SEBI circular No CIR/IMD/DF-1/122/2016 dated November 11, 2016.
Interest on Application Money	Interest at the respective Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in Issuer's Bank Account upto one day prior to the Deemed Date of Allotment
Listing	Proposed on the Wholesale Debt Market (WDM) segment of BSE Limited ("BSE")
Trustees	SBICAP Trustee Company Limited
Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Registrars	M/s Beetal Financial & Computer Services (P) Ltd.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit/ NECS/ RTGS/ NEFT mechanism
Business Day/ Working Day Convention	Working Days shall be all days on which commercial banks are open for business in the city of Delhi. Further, Sundays, have also been considered as non-Business Days.We have not considered the effect of public holidays as it is difficult to ascertain for future dates. If any of date(s) defined in the Tranche-I IM, except the Deemed Date of Allotment, the next working day shall be considered as the effective date(s) in line with SEBI circular No CIR/IMD/DF-1/122/2016 dated November 11, 2016.
Record Date	15 days prior to each Coupon Payment Date and Redemption Date
Effect of holidays	If the interest payment date falls on a holiday, the payment may be made on the following working day. However, the calculation of payment of interest will be only till the day prior to that holiday. Also, the dates of the future coupon payments would be as per the schedule stipulated in the Tranche-I IM/Term Sheetin line with SEBI circular No CIR/IMD/DF-1/122/2016 dated November 11, 2016. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceedsshall be paid by the Issuer on the preceding Business Day along withinterest accrued on the Bonds until but excluding the date of suchpayment.In the event the Record Date falls on a day which is not a Business Day, theimmediately succeeding Business Day will be considered as the Record date. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: 1. Letter appointing Trustees to the Bondholders; 2. Bond/ Debenture Trusteeship Agreement; 3. Bond/ Debenture Trust Deed; 4. Rating Agreement with CRISIL; 5. Rating Agreement with ICRA; 6. Rating Agreement withIRRPL; 7. Rating Agreement with CARE; 8. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; 9. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;

CTC