

CONFIDENTIAL

INWAAUI/172689/BOND/021700802

February 21, 2017

Mr. A K Gupta

Chief Accounts Officer

Inland Waterways Authority of India

A-13, Sector 1

Noida - 201301

Dear Mr. A K Gupta,

Re: CRISIL Rating on the Rs.1000 Crore Bond Programme* of Inland Waterways Authority of India

We refer to your request for a rating for the captioned Bond.

CRISIL has, after due consideration, assigned its "CRISIL AAA(SO)/Stable" (pronounced as CRISIL triple A structured obligation rating with Stable outlook) rating to 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. **The rating has been assigned based on the credit enhancement structure as detailed in Annexure 2.**

For the purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

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,



Nitesh Jain
Associate Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



* The bonds have been named as "GoI fully serviced bonds" by the Ministry of Finance

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

**Annexure 1: Details of the Rs.1000 Crore Bond Programme of
Inland Waterways Authority of India**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	<i>Date</i>	<i>Amount</i>	<i>Date</i>	<i>Amount</i>	<i>Date</i>	<i>Amount</i>
<i>Investors:</i>						
<i>Trustees:</i>						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

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Annexure 2:

Trigger Date	Action Point
(T-30)th Day*	IWAI to inform Ministry of Shipping in writing regarding the due date of the payment of interest and/or principal amount so that the necessary arrangements could be made for meeting the interest payment / repayments of obligations on the Bonds.
(T-15)th Day*	The designated account of IWAI is to be funded from Ministry of Shipping to the tune of interest/ principal obligations on the Bonds.
(T-5)th Day*	Last date to deposit requisite funds in the designated Account.

* In the event of the mentioned day not being a Business Day (as mentioned in Information Memorandum), it would be taken to indicate the next working day.

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