PRESS RELEASE

KABELI ENERGY LIMITED

March 2026

Ratings

Instrument/Facilities	Amount (NPR Mn)	Ratings	Rating Action
Long Term Bank Facilities	4,510.00	IRN B	Downgraded from IRN B+ and moved to Issuer not cooperating* category with notice of withdrawal
Total	**4,510.00**		

**Issuer did not cooperate, based on best available information*

Infomerics Credit Rating Nepal Limited (Infomerics Nepal) has downgraded the rating assigned to the long-term bank facilities of NPR 4,510.00 Mn to IRN B 'INC' (Single B, Issuer Not Cooperating) from IRN B+ (Single B Plus) and moved the rating to Issuer not cooperating category with notice of withdrawal.

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Kabeli Energy Limited (KEL) is because of non-cooperation by the company despite repeated follow ups and lack of adequate information leading to information availability risk and hence uncertainty around its credit risk. Infomerics Nepal assesses whether the information available about the company is commensurate with its rating and reviews the same as per the policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-Cooperation by Issuer

Infomerics Nepal has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide various E-mail communications and concurrently over several phone calls. However, despite repeated requests by Infomerics Nepal, the company's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBON guidelines, Infomerics Nepal has to assign the rating based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to NPR 4,510.00 Mn of Kabeli Energy Limited shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics Nepal and the rating will be noted as IRN B 'INC'; Based on best available information (Single B, Issuer Not Co-operating).

Analytical Approach: Standalone

Applicable Criteria:

Power Projects Rating Methodology

Withdrawal Policy

Past Rating Rationale:

Kabeli Energy Limited: Bank Facilities Rating Reaffirmed

About the Company:

Kabeli Energy Limited (KEL) was incorporated on 27 January 2010 to build, own and operate 37.60 MW run-of-river Kabeli-A Hydroelectric project (KAHEP) in Panchthar district of Nepal, for the sale of

entire power. KAHEP covers a catchment area of 820 sq kms with design discharge of 37.23 m3/s at 42.5% Point of Energy. Originally, the project was designed as a peaking run-of-river type but was subsequently modified to ROR. The company is promoted by institutional promoters from Butwal Power Company Limited group and Arun Kabeli Power Limited.

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About Infomerics Credit Rating Nepal Limited:
Infomerics Credit Rating Nepal Ltd. is Nepal's third Credit Rating Agency licensed by the Securities Board of Nepal (SEBON) on March, 2022. Infomerics Nepal is a subsidiary of Infomerics Valuation and Rating Private Limited (Infomerics India) which is a SEBI registered and RBI accredited Credit Rating Agency licensed in 2015. Infomerics Nepal aims to provide investors with objective analysis and evaluation of credit worthiness of Banks, NBFCs, Large Corporates and Small and Medium Scale Units (SMUS) via its rating and grading services. Thus, it is playing a key role in serving the financial markets by reducing the information asymmetry among varied lenders and investors and facilitating borrowers/issuers to various fundraising opportunities/avenues. Infomerics observes and maintains ethical standards in its activities. For more information, visit https://infomericsnepal.com/

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