

Chennai Petroleum Corporation Limited

April 07, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non-convertible debentures	-	-	Withdrawn

Details of instruments in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the non-convertible debenture (NCD) issue of Chennai Petroleum Corporation Limited (CPCL) with immediate effect, as the company has repaid the aforementioned NCD issue in full and there is no amount outstanding under the issue as on date.

Analytical approach: Not applicable

Applicable criteria

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Energy	Oil, Gas & Consumable Fuels	Petroleum Products	Refineries & Marketing

CPCL was established in December 1965 as a joint venture of the Government of India (GoI) with 74% equity stake), Amoco Inc. of USA (Amoco with 13% stake) and National Iranian Oil Company (NIOC with 13% stake). In 1985, Amoco divested its equity holding in favour of GoI. In 2000-01, GoI sold its stake in CPCL to IOCL as part of its efforts to insulate stand-alone refineries from market volatility following the dismantling of the Administered Pricing Mechanism (APM). As on June 30, 2022, IOCL holds 51.89% stake, Naftiran Intertrade Company Ltd (Swiss-based subsidiary of NIOC) holds 15.40%, and the rest is held by financial institutions (FIs) and Public. CPCL is a standalone refiner and is engaged in crude refining at its two units located in Tamil Nadu at Manali (10.5 metric tonnes per annum (MMTPA)) and Cauvery Basin (1.0 MMTPA), with an aggregate capacity of 11.5 MMTPA. Consequent to the implementation of BS-IV specifications on a PAN-India basis w.e.f April 01, 2017, and in the absence of secondary treatment facilities, the BS – III grade of diesel production from the refinery at Cauvery Basin has not been marketable in the local market and the operations of the refinery at Nagapattinam have been stopped from April 01, 2019. CPCL produces LPG, motor spirit, superior kerosene, aviation turbine fuel, high-speed diesel, naphtha, bitumen, lube base stocks, paraffin wax, fuel oil, hexane and petrochemical feed stocks such as propylene.

Brief Financials-Standalone (₹ crore)	FY21 (A)	FY22 (A)	9MFY23 (Prov.)
Total operating income	22,455	43,368	58,746
PBILDT	2,075	2,729	4,084
PAT	238	1,342	2,530
Overall gearing (times)	6.65	3.36	NA
Interest coverage (times)	5.51	6.60	16.60

A: Audited, Prov.: Provisional, NA: Not available

Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments: Detailed explanation of the covenants of the rated instruments is given in Annexure-3

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE178A08011	28-Feb-2020	6.43%	28-Feb-2023	0.00	Withdrawn

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT*	-	-	-	1)Withdrawn (20-Sep-22)	1)CARE AAA; Stable (04-Oct-21)	1)CARE AAA; Stable (07-Dec-20)
2	Debentures-Non Convertible Debentures	LT*	-	-	-	1)CARE AAA; Stable (20-Sep-22)	1)CARE AAA; Stable (04-Oct-21)	1)CARE AAA; Stable (07-Dec-20)

*Long term

Annexure-3: Detailed explanation of the covenants of the rated instruments: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact Name: Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Name: Padmanabh Bhagavath Senior Director CARE Ratings Limited Phone: +91-22-6754 3407 E-mail: ps.bhagavath@careedge.in
Relationship Contact Name: Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Name: Hardik Shah Director CARE Ratings Limited Phone: +91-79-4026 5620 E-mail: hardik.shah@careedge.in
	Name: Surabhi Nahar Assistant Director CARE Ratings Limited Phone: +91-22-6754 3437 E-mail: surabhi.nahar@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.