

India Power Corporation Limited

February 10, 2020

Credit Update

The company had provided CARE with the No Default Statement for the month of January 2020 wherein they had stated that the interest payment for three of their term loans could not be effected as a result of all India bank strike and was done on the next day. On discussion, the company has stated that they had adequate funds for payment and has provided the Cash Credit Account Statement confirming the same. The bankers have also confirmed the aforesaid interest payment. CARE has taken note of the same.

About the Company

IPCL [erstwhile DPSC Ltd (DPSC)] is currently engaged in transmission & distribution of power across its licensed area, spread over 618 sq. km across Asansol to Ranigunj industrial belts of West Bengal. IPCL has a distribution network in three circles (Dishergarh, Seebpore and Luchipur) with connected load of about 250 MVA. IPCL was a licensee under the provisions of the Indian Electricity Act, 1910 (since repealed) and had become a deemed licensee in terms of the first provision to section 14 of the Electricity Act 2003. It is currently operating as per the provisions of the West Bengal Electricity Regulatory Commission (WBERC) Regulations, 2011.

In 2010, Kanoria family of Kolkata acquired DPSC through its investment company, India Power Corporation Ltd (erstwhile IPCL) from Andrew Yule & Co. Ltd. In 2013, erstwhile IPCL got merged into DPSC and subsequently the name of DPSC was changed to IPCL.

Annexure-1: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	154.46	CARE BBB (Under Credit watch with Negative Implications)	-	1)CARE BBB (Under Credit watch with Negative Implications) (15-Oct-18) 2)CARE A- (Under Credit watch with Negative Implications) (07-Apr-18)	1)CARE A; Negative (18-May-17)	-
2.	Non-fund-based - ST-BG/LC	ST	126.54	CARE A3 (Under Credit watch with Negative Implications)	-	1)CARE A3 (Under Credit watch with Negative Implications) (15-Oct-18) 2)CARE A2 (Under Credit watch with Negative Implications) (07-Apr-18)	1)CARE A2+ (18-May-17)	-
3.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (15-Oct-18) 2)CARE A- (Under Credit watch with Negative Implications) (07-Apr-18)	1)CARE A; Negative (18-May-17)	-

4.	Debentures-Non Convertible Debentures	LT	80.00	CARE BBB (Under Credit watch with Negative Implications)	-	1)CARE BBB (Under Credit watch with Negative Implications) (15-Oct-18) 2)CARE A- (Under Credit watch with Negative Implications) (07-Apr-18)	1)CARE A; Negative (18-May-17)	-
5.	Fund-based - LT-Term Loan	LT	171.97	CARE BBB (Under Credit watch with Negative Implications)	-	1)CARE BBB (Under Credit watch with Negative Implications) (15-Oct-18) 2)CARE A- (Under Credit watch with Negative Implications) (07-Apr-18)	1)CARE A; Negative (18-May-17)	-
6.	Short Term Instruments-CP/STD	ST	-	-	-	-	1)Withdrawn (18-May-17)	-

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

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