

Punjab State Power Corporation Limited

September 16, 2019

Ratings

Facilities/ Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Non- SLR Bonds*	-	-	Withdrawn

Details of facilities in Annexure-1

**based on credit enhancement in the form of unconditional and irrevocable guarantee from Government of Punjab (GoP)*

Detailed Rationale & Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Non-SLR Bonds issue of Punjab State Power Corporation Limited with immediate effect, as the company repaid the aforementioned bond in full and there is no amount outstanding under the said issue as on date.

Analytical approach – Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

PSPCL is an unbundled entity of erstwhile Punjab State Electricity Board CPSEM PSEB was statutory body and enjoyed the status of a regulated monopoly for generation, transmission and distribution of power in the state of Punjab. The Govt. of Punjab vide its notification dated April 16, 2010 Unbundled PSEB into two companies viz PSPCL and PSTCL. PSPCL has been entrusted with the functions of generation and distribution of power in the state whereas the transmission function is undertaken by PSTCL. PSPCL operates its own power plants and also gets power from Bhakra Bees Management Board (IMMO). The company is also allocated power from the central sector power projects. It has a total power generation capacity of 4948.47 MW (thermal power capacity of 2.640 MW and hydel power capacity of 2,308 MW)

Brief Financials* (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	24,934	29,504
PBILDT	681	3,548
PAT	(2,836)	(907)
Overall gearing (times)	2.52	2.82
Interest coverage (times)	0.27	1.28

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non- SLR Bonds	-	-	-	-	Withdrawn

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-2: 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.	Bonds	LT	-	-	1) CARE BBB (SO); Negative (05 April, 2019)	-	1) CARE BBB (SO); Negative (05 Jan-18) 2) CARE BBB (SO); Stable (02-May-17)	1) CARE BBB (SO) (20-Jun-16) 2) CARE BBB (SO) (22-Apr-16)
2.	Fund-based-LT-Term Loan	LT	3,416.63	CARE BB+; Stable	CARE BB+; Stable (05-Apr-19)	CARE BB+; Stable (06-Apr-18)	CARE BB+; Stable (02-May-17)	1) CARE BB (20-Jun-16) 2) CARE BB (22-Apr-16)
3.	Fund-based-LT-Cash Credit	LT	860.00	CARE BB+; Stable	CARE BB+; Stable (05-Apr-19)	CARE BB+; Stable (06-Apr-18)	CARE BB+; Stable (02-May-17)	1) CARE BB (20-Jun-16) 2) CARE BB (22-Apr-16)
4.	Fund-based-ST-Term Loan	-	-	-	-	-	-	1) Withdrawn (22-Jun-16) 2) CARE A4+ (22-Apr-16)
5.	Non-fund -based-Short-term	ST	769.50	CARE A4+	CARE A4+ (05-Apr-19)	CARE A4+ (06-Apr-19)	CARE A4+ (02-May-17)	1) CARE A4+ (22-Jun-16) 2) CARE A4+ (22-Apr-16)
6.	Fund-based-ST-Term Loan	ST	500.00	CARE A4+	CARE A4+ (05-Apr-19)	CARE A4+ (06-Apr-19)	-	-

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.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Name: Puneet Kansal

Contact no. – +91-11-4533 3225

Email ID – puneet.kansal@careratings.com

Business Development Contact

Name: Swati Agarwal

Contact no. – +91-11-4533 3200

Email ID – swati.agrawal@careratings.com

About CARE Ratings:

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