

Press Release

Bokaro Power Supply Company Private Limited (BPSCL)

December 03, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 400.00 Cr. #
Long Term Rating	ACUITE A+ Issuer not co-operating*
Short Term Rating	ACUITE A1 Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE A+**' (read as **ACUITE A plus**) and short-term rating of '**ACUITE A1**' (read as **ACUITE one**) on the Rs.400.00 crore bank facilities of Bokaro Power Supply Company Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and ACUITÉ's policies.

Applicable criteria

Default Recognition - <https://www.acuite.in/criteria-default.htm>

Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>

Financial Ratios And Adjustments - <https://www.acuite.in/criteria-fin-ratios.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

About the Rated Entity

BPSCL was established in 2001 as part of Steel Authority of India's (SAIL) business reconstruction and restructuring plan. SAIL had assigned its entire business as a going concern (captive power plant of 302 MW capacity and additional capacity of steam generation - 660 TPH) of BSL to BPSCL. In 2002, BPSCL became a joint venture of SAIL and DVC on acquisition of shares by DVC (50:50 ratio). The company is engaged in thermal power generation for SAIL's Bokaro Steel Plant. BPSCL is located in the premises of Bokaro Steel Plant (BSL) on an area admeasuring 97 acres (approx). The plant has aggregate installed capacity to generate 338 MW of power and 2180 Tonne per Hour (TPH) of steam.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	894.50	946.69	874.97
EBITDA	Rs. Cr.	90.06	104.77	75.55
PAT	Rs. Cr.	78.54	99.21	34.60
EBITDA Margin	(%)	10.07	11.07	8.63
PAT Margin	(%)	8.78	10.48	3.95
ROCE	(%)	10.67	12.65	16.20
Total Debt/Tangible Net Worth	Times	0.19	0.27	0.31
PBDIT/Interest	Times	6.15	5.66	5.72
Total Debt/PBDIT	Times	1.50	1.78	2.50
Gross Current Assets (Days)	Days	140	155	138

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
23 rd - September-2017	Cash Credit	Long Term	290.00	ACUITE A+/Stable (Assigned)
	Short Term Working Capital Loan	Short Term	50.00	ACUITE A1 (Assigned)
	Inland/ Foreign Letter of Credit/Bank Guarantee	Short Term	60.00	ACUITE A1 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	290.00	ACUITE A+ Issuer not co-operating*
Short Term Working Capital Loan	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE A1 Issuer not co-operating*
Inland/ Foreign Letter of Credit/Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	60.00	ACUITE A1 Issuer not co-operating*

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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