

GRADING SCALE AND GRADES

Score Distribution	Grade	No. of Utilities	Grading Definition
Between 80 and 100	A+	5	Very High Operational and Financial Performance Capability
Between 65 and 80	A	3	High Operational and Financial Performance Capability
Between 50 and 65	B+	10	Moderate Operational and Financial Performance Capability
Between 35 and 50	B	6	Below Average Operational and Financial Performance Capability
Between 20 and 35	C+	9	Low Operational and Financial Performance Capability
Between 0 and 20	C	8	Very Low Operational and Financial Performance Capability

The grading scale of '**A+ to C**' adopted under MOP Integrated Rating Methodology is ***different*** from the normal rating scale adopted by Credit Rating Agencies (**AAA to D**) for credit rating purposes as the credit rating measures the degree of safety regarding timely servicing of financial obligations based on "probability of default"; *however*, integrated rating reflects the operational and financial health of the distribution entities based on the rating framework approved by Ministry of Power. Further, normal credit rating assigned by CRAs for distribution utilities entails comparison with other corporates, as compared to the integrated rating exercise wherein comparison of the entity is done with other distribution utilities only.

UTILITY - WISE RANK & GRADE

Rank	Name of Utility	State	Rating Agency	9th IR Grade (FY 2020)
1	Uttar Gujarat Vij Company Limited	Gujarat	ICRA	A+
2	Madhya Gujarat Vij Company Limited	Gujarat	ICRA	A+
3	Dakshin Gujarat Vij Company Limited	Gujarat	ICRA	A+
4	Paschim Gujarat Vij Company Limited	Gujarat	ICRA	A+
5	Dakshin Haryana Bijli Vitran Nigam Limited	Haryana	CARE	A+
6	Uttar Haryana Bijli Vitran Nigam Limited	Haryana	CARE	A
7	Punjab State Power Corporation Limited	Punjab	ICRA	A
8	Maharashtra State Electricity Distribution Company Ltd	Maharashtra	ICRA	A
9	Mangalore Electricity Supply Company Limited	Karnataka	ICRA	B+
10	Madhya Pradesh Pash. Kshetra Vidyut Vitaran Co Ltd.	Madhya Pradesh	CARE	B+
11	Hubli Electricity Supply Company Limited	Karnataka	ICRA	B+
12	Himachal Pradesh State Electricity Board Limited	Himachal Pradesh	CARE	B+
13	Uttarakhand Power Corporation Limited	Uttarakhand	CARE	B+
14	Kerala State Electricity Board Limited	Kerala	CARE	B+
15	Bangalore Electricity Supply Company Limited	Karnataka	ICRA	B+
16	Gulbarga Electricity Supply Company Limited	Karnataka	ICRA	B+
17	West Bengal State Electricity Distribution Company Ltd	West Bengal	ICRA	B+
18	Paschimanchal Vidyut Vitaran Nigam Limited	Uttar Pradesh	ICRA	B+
19	Southern Power Distribution Company of AP Limited	Andhra Pradesh	CARE	B
20	Chamundeshwari Electricity Supply Corporation Ltd.	Karnataka	ICRA	B
21	North Bihar Power Distribution Co. Ltd.	Bihar	ICRA	B
22	Kanpur Electricity Supply Company Limited	Uttar Pradesh	ICRA	B
23	Southern Power Distribution Company of Telangana Limited	Telangana	CARE	B
24	Madhyanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	ICRA	B
25	South Bihar Power Distribution Co. Ltd.	Bihar	ICRA	C+
26	Ajmer Vidyut Vitran Nigam Limited	Rajasthan	CARE	C+
27	Purvanchal Vidyut Vitaran Nigam Limited	Uttar Pradesh	ICRA	C+
28	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Co Ltd	Madhya Pradesh	CARE	C+
29	Dakshinanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	ICRA	C+
30	Chhattisgarh State Power Distribution Company Ltd.	Chhattisgarh	CARE	C+
31	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Co Ltd	Madhya Pradesh	CARE	C+
32	Assam Power Distribution Company Limited	Assam	ICRA	C+
33	Northern Power Distribution Company of Telangana Limited	Telangana	CARE	C+
34	Eastern Power Distribution Company of AP Limited	Andhra Pradesh	CARE	C
35	Jaipur Vidyut Vitran Nigam Limited	Rajasthan	CARE	C
36	Meghalaya Power Distribution Corporation Limited	Meghalaya	CARE	C
37	Jharkhand Bijli Vitran Nigam Limited	Jharkhand	CARE	C
38	Manipur State Power Distribution Company Limited	Manipur	CARE	C
39	Tripura State Electricity Corporation Limited	Tripura	CARE	C
40	Tamil Nadu Generation and Distribution Corporation	TamilNadu	ICRA	C
41	Jodhpur Vidyut Vitran Nigam Limited	Rajasthan	CARE	C

Section III

Utility Rating Summary (region-wise)

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S.No	Name of Utility	State	Pg. No.
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3	Himachal Pradesh State Electricity Board Limited	Himachal Pradesh	15
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5	Ajmer Vidyut Vitran Nigam Limited	Rajasthan	17
6	Jodhpur Vidyut Vitran Nigam Limited	Rajasthan	18
7	Jaipur Vidyut Vitran Nigam Limited	Rajasthan	19
8	Uttarakhand Power Corporation Limited	Uttarakhand	20
9	Kanpur Electricity Supply Company Limited	Uttar Pradesh	21
10	Paschimanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	22
11	Madhyanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	23
12	Purvanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	24
13	Dakshinanchal Vidyut Vitran Nigam Limited	Uttar Pradesh	25
EASTERN & NORTH-EASTERN REGION			
14	Assam Power Distribution Company Limited	Assam	26
15	North Bihar Power Distribution Company Limited	Bihar	27
16	South Bihar Power Distribution Company Limited	Bihar	28
17	Jharkhand Bijli Vitran Nigam Limited	Jharkhand	29
18	Manipur State Power Distribution Company Limited	Manipur	30
19	Meghalaya Power Distribution Corporation Limited	Meghalaya	31
20	Tripura State Electricity Corporation Limited	Tripura	32
21	West Bengal State Electricity Distribution Company Limited	West Bengal	33
WESTERN REGION			
22	Chhattisgarh State Power Distribution Company Limited	Chhattisgarh	34
23	Uttar Gujarat Vij Company Limited	Gujarat	35
24	Dakshin Gujarat Vij Company Limited	Gujarat	36
25	Madhya Gujarat Vij Company Limited	Gujarat	37
26	Paschim Gujarat Vij Company Limited	Gujarat	38
27	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited	Madhya Pradesh	39
28	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited	Madhya Pradesh	40
29	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited	Madhya Pradesh	41
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31	Eastern Power Distribution Company of Andhra Pradesh Limited	Andhra Pradesh	43
32	Southern Power Distribution Company of Andhra Pradesh Limited	Andhra Pradesh	44
33	Bangalore Electricity Supply Company Limited	Karnataka	45
34	Mangalore Electricity Supply Company Limited	Karnataka	46
35	Gulbarga Electricity Supply Company Limited	Karnataka	47
36	Chamundeshwari Electricity Supply Corporation Limited	Karnataka	48
37	Hubli Electricity Supply Company Limited	Karnataka	49
38	Kerala State Electricity Board Limited	Kerala	50
39	Tamil Nadu Generation & Distribution Corporation Limited	Tamil Nadu	51
40	Southern Power Distribution Company of Telangana Limited	Telangana	52
41	Northern Power Distribution Company of Telangana Limited	Telangana	53

A+

DAKSHIN HARYANA BIJLI VITRAN NIGAM LIMITED

Background

Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL) is a power distribution company which is responsible for the distribution and retail supply of electricity in the South Zone of Haryana comprising of Bhiwani, Faridabad, Gurgaon, Hissar, Jind, Narnaul and Sirsa circles. DHBVNL caters to around 3.58 million consumers including domestic, commercial, industrial, agricultural and others in FY 2020. As on March 31, 2020, the Government of Haryana (GoH) held 96.78% of shares of DHBVNL while the balance 3.21% stake is held by Haryana Vidyut Prasaran Nigam Limited (HVPNL).

Key Strengths

- Relatively low AT&C loss at 16.37% in FY 2020
- Healthy cost coverage of 1.02x in FY 2020
- Conducive regulatory environment with issue of tariff order and true-up order
- Satisfactory interest coverage ratio at 2.06x in FY 2020
- Low receivable and payable days at 49 days each in FY 2020
- Reduction in debt and decrease in interest cost in FY 2020
- Timely payment of subsidy by the State Government

Key Concerns

- High power purchase cost at ₹ 4.95 per unit in FY 2020 (PY: ₹ 4.93 per unit)
- Low billing efficiency of 85.63% in FY 2020 though improved from 84.66% in FY 2019

Key Actionables

- Maintain low AT&C losses and sustenance of high collection efficiency
- Billing efficiency to be improved through various administrative and technical measures
- Reduction in power purchase cost

A

UTTAR HARYANA BIJLI VITRAN NIGAM LIMITED

Background

Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL) is a power distribution company which is responsible for the distribution and retail supply of electricity in the North Zone of Haryana comprising of Ambala, Yamunanagar, Kurukshetra, Karnal, Sonapat, Rohtak, Panipat, Jhajjar and Kaithal circles. UHBVNL catered to around 3.10 million consumers including domestic, commercial, industrial, agricultural and others in FY 2020. As on March 31, 2020, the Government of Haryana (GoH) held 96% of the shares of UHBVNL while the remaining shares are held by Haryana Vidyut Prasaran Nigam Limited (HVPNL).

Key Strengths

- Healthy cost coverage of 1.02x in FY 2020
- Healthy collection efficiency of 97.98% in FY 2020
- Timely issue of tariff order, true-up order and filing of tariff petition
- Timely payment of subsidy by the State Government
- Reduction in debt levels and decrease in interest cost in FY 2020
- Low receivable & payable days at 18 days & 46 days respectively in FY 2020

Key Concerns

- Low billing efficiency of 80.99% in FY 2020 though it improved from 77.96% in FY 2019
- High power purchase cost at ₹ 4.99 per unit in FY 2020 (PY: ₹ 5.05 per unit)

Key Actionables

- Reduction in AT&C loss level by focusing more on circles which have high AT&C losses
- Billing efficiency to be improved through various administrative and technical measures
- Reduction in power purchase cost

B+

HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED

Background

The erstwhile Himachal Pradesh State Electricity Board (HPSEB) was constituted in the year 1971. Erstwhile HPSEB carried out functions of generation, transmission and distribution for the state of Himachal Pradesh up to June 10, 2010. In June 2010, Government of Himachal Pradesh (GoHP), transferred the functions of distribution, trading and generation of electricity to Himachal Pradesh State Electricity Board Limited (HPSEBL) and the function of evacuation of power by transmission lines to Himachal Pradesh Power Transmission Company Limited (HPPTCL), vide the Himachal Pradesh Power Sector Reforms Transfer Scheme, 2010. A separate generation company for execution of new projects in state sector was already created by GoHP. HPSEBL is responsible for the development (planning, designing, and construction), operation and maintenance of power distribution system in Himachal Pradesh with inherent trading functions. Ownership and O&M of generating stations of erstwhile HPSEB and new commissioned projects was also given to HPSEBL.

Key Strengths

- Relatively low AT&C losses of 11.68% in FY 2020
- Satisfactory cost coverage of 1.0x in FY 2020
- Relatively low cost of power procurement
- Low collection period of 33 days in FY 2020
- Timely filing of tariff petition for FY 2022; Tariff order issued for FY 2021

Key Concerns

- Audited financials for FY 2020 and FY 2019 not available
- High payables period of 89 days in FY 2020
- High employee cost at 26.90% of total revenue in FY 2020
- Non-receipt of revenue subsidy in a timely manner
- Non-issuance of true-up order

Key Actionables

- Better management of creditors to reduce the creditor days
- Timely preparation of audited accounts
- Rationalization of employee expenses for improving cost efficiency

A

PUNJAB STATE POWER CORPORATION LIMITED

Background

Punjab State Electricity Board was unbundled into two successor entities on April 16, 2010 i.e. PSPCL and PSTCL; PSPCL entrusted with Generation, Trading and Distribution functions and PSTCL entrusted with Transmission and State Load Despatch functions. PSPCL was formed pursuant to the implementation of Punjab Power Sector Reforms Transfer Scheme (Transfer Scheme) by the Government of Punjab.

Key Strengths

- Low AT&C loss levels at 14.18% in FY 2020
- Low receivable and payable days
- Tariff order issued for FY 2021; True-up completed for FY 2019, Petition filed for FY 2022

Key Concerns

- Absolute subsidy dependence for the state remains high, given the subsidized nature of tariff particularly towards agriculture consumers; coupled with delay in receipt of subsidy
- High cost of power purchase
- Low cost efficiency on account of high employee costs

Key Actionables

- Maintain low AT&C losses through improvement in billing efficiency and collection efficiency
- Improvement in cost coverage through rationalization of power & fuel and employee cost
- Reduction in power purchase cost