

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.1256
TO BE ANSWERED ON 03.03.2016**

INTEGRATED RATING FRAMEWORK

1256. SHRIMATI KAVITHA KALVAKUNTLA:

**Will the Minister of POWER
be pleased to state:**

- (a) the details of the methodology adopted with regard to Integrated Rating Framework for State Distribution Utilities;**
- (b) the results of the 3rd Integrated Rating exercise conducted for the year of 2014-15; and**
- (c) the concrete measures taken as a result of rating exercises?**

A N S W E R

**THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY**

(SHRI PIYUSH GOYAL)

(a) : The summary of various parameters adopted with regard to the rating methodology conducted during FY 2014-15 is given at Annex-I.

(b) : The results of the 3rd Integrated Rating exercise is given at Annex-II.

(c) : The ratings were adopted by Power Finance Corporation Ltd. (PFC) w.e.f 11th August 2015 to evaluate distribution utilities for financing, loan pricing and determining exposure limits.

ANNEX REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 1256 TO BE ANSWERED IN THE LOK SABHA ON 03.03.2016.

Summary of Rating Parameters

Sl. No.	Parameters	Weightage
1.	Financial Performance	
i	Coverage Ratio	15
ii	AT&C Losses	12,-5
iii	Subsidy Support	10,-10
iv	Interest Coverage Ratio	5
v	Debt Equity Ratio	5,-3
vi	Sustainability	9
vii	Receivables	4
viii	Payables	3,-3
2.	Audited Accounts	5,-12
3.	Cross Subsidy	0,-2
4.	Reform measures - Unbundling & Corporatisation	0,-5
5.	Regulatory Environment	15,-15
6.	Forward Looking parameters	5,-1
7	Incentive / Bonus marks	12
	TOTAL	100

ANNEX REFERRED TO IN REPLY TO PART (b) OF UNSTARRED QUESTION NO. 1256 TO BE ANSWERED IN THE LOK SABHA ON 03.03.2016.

3rd Integrated Rating of State Distribution Utilities

UTILITY-WISE GRADES

S.No.	Name of Utility	3 rd IR Grade
1	Dakshin Gujarat Vij Company Ltd.	A+
2	Madhya Gujarat Vij Company Ltd.	A+
3.	Uttar Gujarat Vij Company Ltd.	A+
4.	Paschim Gujarat Vij Company Ltd.	A+
5.	Punjab State Power Corporation Limited	A+
6.	Maharashtra State Electricity Distribution Company Limited	A
7.	Uttarakhand Power Corporation Limited	A
8.	Mangalore Electricity Supply Company Limited	B+
9.	Bangalore Electricity Supply Company Limited	B+
10.	Chhattisgarh State Power Distribution Company Limited	B+
11.	North Bihar Power Distribution Company Limited	B+
12.	West Bengal State Electricity Distribution Company Limited	B+
13.	Eastern Power Distribution Company of AP Limited	B+
14.	Himachal Pradesh State Electricity Board Limited	B+
15.	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited	B+
16.	Southern Power Distribution Company of Telengana Limited	B+
17.	Southern Power Distribution Company of AP Limited	B+
18.	Assam Power Distribution Company Limited	B
19.	Chamundeswari Electricity Supply Corporation Limited	B
20.	Northern Power Distribution Company of Telangana Limited	B
21.	Uttar Haryana Bijli Vitran Nigam Limited	B
22.	Kerala State Electricity Board Limited	B
23.	South Bihar Power Distribution Company Limited	B
24.	Gulbarga Electricity Supply Company Limited	B
25.	Dakshin Haryana Bijli Vitran Nigam Limited	B
26.	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited	B
27.	Tamil Nadu Generation and Distribution Corporation	B
28.	Jodhpur Vidyut Vitran Nigam Limited	B
29.	Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited	B
30.	Paschimanchal Vidyut Vitaran Nigam Limited	B
31.	Tripura State Electricity Corporation Limited	C+
32.	Ajmer Vidyut Vitran Nigam Limited	C+
33.	Hubli Electricity Supply Company Limited	C+
34.	Madhyanchal Vidyut Vitran Nigam Limited	C+
35.	Jaipur Vidyut Vitran Nigam Limited	C+
36.	Purvanchal Vidyut Vitaran Nigam Limited	C+
37.	Kanpur Electricity Supply Company Limited	C+
38.	Meghalaya Power Distribution Corporation Limited	C+
39.	Dakshinanchal Vidyut Vitran Nigam Limited	C
40.	Jharkhand State Electricity Board	C

- Grade A+ denotes a score distribution between 80 and 100 denoting very high operational and financial performance capability.
- Grade A denotes a score distribution between 65 and 80 denoting high operational and financial performance capability.
- Grade B+ denotes a score distribution between 50 and 65 denoting moderate operational and financial performance capability.
- Grade B denotes a score distribution between 35 and 50 denoting below average operational and financial performance capability.
- Grade C+ denotes a score distribution between 20 and 35 denoting low operational and financial performance capability.
- Grade C denotes a score distribution between 0 and 20 denoting very low operational and financial performance capability.
