

Ref: IPCL/SE/LODR/2019-20/26

3rd June, 2019

Mr. Yogesh Deshmukh,
Manager
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051
Scrip Symbol: DPSCLTD

Dear Sir

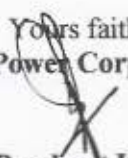
Sub: Clarification sought on Financial Results submitted on 23rd May, 2019 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in response to your letter bearing No. NSE/LIST/FR/13778 dated 30th May, 2019 and your email of even date with reference to the Financial Results for the quarter and year ended 31st March, 2019 submitted by the Company to the Stock Exchange on 23rd May, 2019 wherein it has been stated that the Financial Results submitted to the Stock Exchange is not as per format prescribed by SEBI.

Since in your above referred letter and email, specific deficiency in the format of the Financial Results was not mentioned, the Company contacted the Stock Exchange and spoke to Mr. Lalit Dandage. He clarified that the deficiency in the format is on account of absence of note as required under Regulation 33(3)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In this regard, we would humbly like to draw your kind attention to 'Note No. 2' of the 'Statement of Standalone Audited Financial Results for the quarter and year ended 31st March, 2019' as submitted to the Stock Exchange on 23rd May, 2019, which has been provided in terms of Regulation 33(3)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (copy attached herewith again for your kind reference).

We hope that your query stands clarified. We shall be pleased to provide any further clarification/information that you may require in this regard.

Yours faithfully
For India Power Corporation Limited

Prashant Kapoor
Company Secretary & Compliance Officer



Encl: as above

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CIN: L40105WB1919PLC003263
[formerly DPSC Limited]
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Particulars	(Rs. in lakhs)				
	Quarter ended			Year ended	
	31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
Income					
Revenue from operations	11,795.52	12,447.88	16,200.34	52,329.66	48,111.35
Other income	474.46	1,021.44	379.35	2,536.21	2,362.89
Total Income	12,269.98	13,469.32	16,579.69	54,865.87	50,474.24
Expenses					
Cost of materials consumed- coal consumption	-	293.96	569.34	988.28	1,676.50
Energy purchase	7,652.41	8,281.79	6,841.89	32,652.69	25,209.13
Lease rent	328.16	140.54	2,881.45	3,252.76	4,388.96
Employee benefits expense	1,040.75	1,282.28	1,445.56	4,910.34	5,260.24
Finance costs	1,355.99	2,090.63	2,024.23	7,443.14	7,759.78
Depreciation and amortisation expense	402.96	404.44	423.11	1,612.40	1,680.13
Other expenses	1,187.79	733.45	768.48	3,153.30	2,639.72
Total Expenses	11,968.06	13,227.09	14,954.08	54,012.91	48,614.46
Profit/(loss) before rate regulated activities and tax	301.92	242.23	1,625.61	852.96	1,859.78
Regulatory income/(expense) (net)	827.70	54.09	191.25	1,933.02	1,603.35
Profit/(loss) before tax	1,129.62	296.32	1,816.86	2,785.98	3,463.13
Tax expense					
Current tax	302.32	133.04	613.35	1,006.00	1,258.00
Deferred tax	(12.91)	(19.73)	106.74	(89.87)	70.69
Profit/(loss) for the period	840.21	183.01	1,096.77	1,869.85	2,134.44
Other Comprehensive Income (OCI)					
Items that will not be reclassified to Profit or Loss	461.16	(48.17)	(150.85)	300.57	(185.39)
Income tax relating to items that will not be reclassified to Profit or Loss	18.02	16.83	38.23	68.51	64.85
Total Other Comprehensive Income	479.18	(31.34)	(112.62)	369.08	(120.54)
Total Comprehensive Income for the period	1,319.39	151.67	984.15	2,238.93	2,013.90
Paid-up equity share capital (Face value of Rs. 1 each)	9,737.90	9,737.90	9,737.90	9,737.90	9,737.90
Other equity excluding revaluation reserve				1,00,584.35	98,339.78
Debt Redemption Reserve				2,350.00	2,350.00
Earnings per share (EPS)					
(face value of Rs. 1 each) (not annualised)					
Basic and Diluted (Rs.)	0.05	0.01	0.07	0.12	0.14
Net worth *				1,16,363.68	1,14,119.11
Debt service coverage ratio **				0.33	1.26
Interest service coverage ratio ***				2.72	2.33
Debt equity ratio ****				0.19	0.39

* Net worth = Equity share capital+Other equity- Share capital suspense account

** Debt service coverage ratio= Earning before interest and tax/(interest on long term debt+principal repayment of long term debt)

*** Interest service coverage ratio = Earning before interest and tax/interest on long term debt

**** Debt equity ratio = Total long term debt/equity



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Statement of Assets and Liabilities

(Rs. in lakhs)

Particulars	As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)
ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	34,596.54	33,966.59
(b) Capital work in progress	6,781.05	3,818.14
(c) Intangible assets	192.88	151.08
(d) Financial assets		
(i) Investments	10,747.29	11,573.11
(ii) Loans	476.27	1,241.33
(iii) Other financial assets	82,543.18	82,151.68
(e) Other non current assets	62.77	5,677.44
Sub total: Non current assets	1,35,399.98	1,38,579.37
2 Current assets		
(a) Inventories	929.92	935.58
(b) Financial Assets		
(i) Investments	-	30.00
(ii) Trade receivables	5,191.92	5,585.34
(iii) Cash and cash equivalents	561.06	967.76
(iv) Other bank balances	1,795.66	1,563.28
(v) Loans	9,817.84	4,906.90
(vi) Other financial assets	24,562.14	52,381.00
(c) Other current assets	486.95	902.01
Sub total: Current assets	43,345.49	67,271.87
3 Regulatory deferral account debit balances	12,563.66	9,958.46
Total Assets	1,91,309.13	2,15,809.70
EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	9,737.90	9,737.90
(b) Other equity	1,00,584.35	98,339.78
(c) Share capital suspense account	6,041.43	6,041.43
Sub total: Equity	1,16,363.68	1,14,119.11
2 Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	16,165.95	39,242.40
(ii) Trade payables	5,220.03	3,608.54
(iii) Other financial liabilities	5,700.31	6,114.18
(b) Provisions	343.90	359.53
(c) Deferred tax liabilities (net)	4,681.33	4,839.71
(d) Other non current liabilities	2,803.02	1,284.55
Sub total: Non-current liabilities	34,934.54	55,448.91
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	12,201.79	20,154.75
(ii) Trade payables	3,128.31	4,259.92
(iii) Other financial liabilities	8,607.18	9,662.04
(b) Other current liabilities	5,479.75	2,842.42
(c) Provisions	1,605.35	1,459.39
(d) Current tax liabilities (Net)	3,297.69	2,849.08
Sub total: Current liabilities	34,320.07	41,227.60
3 Regulatory deferral account credit balances	5,690.84	5,014.08
Total Equity and Liabilities	1,91,309.13	2,15,809.70



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Notes:

- 1 These results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 23, 2019. The above results have been audited by the Statutory Auditors of the Company.
- 2 The figures for the last quarters for current and previous financial years are the balancing figures between the audited figures in respect of the full financial year ended 31st March and the published unaudited (with limited review) year to date figures upto the third quarter ended 31st December of the respective financial years.
- 3 In the above financial results of the Company, net sales have been arrived at, based on the relevant orders of the West Bengal Electricity Regulatory Commission based on the Company's understanding of the applicable available regulatory provisions and available orders of the competent authorities. Adjustments based on the order of West Bengal Electricity Regulatory Commission (WBERC) or directions from appropriate authorities are carried out and given effect to an ascertainment of amounts thereof. Unbilled costs or obligations for the period which are expected to be recovered/refunded through future tariff adjustments has been shown as Regulatory income/(expense).
- 4 In respect of wind power, the wind availability in the first half of the financial year is generally higher as compared to the second half. During the quarter ended September 30, 2018, the Company has discontinued lease arrangement and transferred Power Purchase Agreement for 52 MW of wind assets and hence corresponding figures to that extent is not comparable.
- 5 Beneficial interest in Power Trust amounting to Rs.82,384.55 lakhs represent investments in company's shares and other unlisted companies net off borrowings and liabilities pertaining to investment division of erstwhile IPCL transferred to the said Power Trust in terms of the scheme of amalgamation. Considering that the Company's shares are held by an independent trust and are meant for sale in terms of Hon'ble Calcutta High Court order the beneficial interest (including company's shares) has been treated as financial assets and fair valuation as on March 31, 2019 as required in terms of Ind AS 109 has been carried out by an independent firm of chartered accountants and the resultant increase of Rs. 512.71 lakhs in value thereof, has been adjusted in other comprehensive income.
- 6 The Company's investment of 381,15,06,509 shares in Meenakshi Energy Limited (MEL) representing 92.75% of MEL equity shares, which were fully pledged with SBI CAP Trustee Company Limited (SBI CAP) on behalf of the lenders of MEL was invoked on 2nd May, 2018. This matter and lender interchangeability is presently pending with High Court of Judicature at Hyderabad for the state of Telangana and the State of Andhra Pradesh and is sub-judice. Further the Board noted that the issuance of equity shares with differential voting right (DVR) by MEL to the Company is sub-judice and has been challenged by Rural Electrification Corporation Limited (being one of the lead lenders of MEL) before the National Company Law Tribunal, Hyderabad Bench.
- 7 Share capital suspense of Rs. 6,041.43 lakhs represents equity share capital of Rs. 11,202.75 lakhs (net of Rs.5,161.32 lakhs to be cancelled), to be issued to the Shareholders of amalgamating Company pursuant to a scheme under implementation as on this date. EPS has been computed taking into account the net balance of Rs. 6,041.43 lakhs in share suspense account representing 6,041.43 lakhs fully paid up shares of Rs. 1 each, the allotment in respect of which is in abeyance for certain pending formalities with stock exchange as per interim order of SEBI relating to Minimum Public Shareholding.
- 8 The Board of Directors has recommended a dividend @ Rs. 0.05 per equity share of Rs. 1 each. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting.
- 9 The Company has mainly one operating business segment viz. "Generation and Distribution of Power in India".
- 10 The listed non convertible debenture of the Company aggregating Rs. 5600 lakhs as on March 31, 2019 are secured by mortgage of immovable properties consisting of 1.0749 acres of land and all the buildings including all structure, there on, fixed plant and machinery, furniture & fittings, present and future at Plot X1-3, Block EP, Salt Lake, Kolkata and 1731.82 sq mtr land at Iswarpora (Gujarat) and by mortgage of immovable properties consisting of land measuring 20.74 acres and building at Kaithi and Seebpore Mouza at Burdwan District including Bungalows, Quarters, Offices etc at Luchipur Receiving Station area of 56633.94 sqft under Seebpore circle.

Details of secured non convertible debentures are as follows:

Sr	Particulars	Previous Due Date		Next Due Date	
		1st April 2018 till 31st March 2019		1st April 2019 till 31st March 2020	
		Principal	Interest	Principal	Interest
1	10.75% Non Convertible Debenture	3rd Nov 2018	3rd Nov 2018	3rd Nov 2019	3rd Nov 2019
2	12% Non Convertible Debenture	19th Sep 2018	19th Sep 2018	19th Sep 2019	19th Sep 2019

Interest and principal has been paid on due dates.

Asset Cover Ratio as on March 31, 2019 is 3.44 and as on March 31, 2018 is 1.77

Brickwork has assigned A rating and CARE has assigned BBB rating for non convertible debentures.

- 11 Figures pertaining to the previous year/period have been rearranged/regrouped and reclassified, wherever considered necessary, to make them comparable with those of current year/period.

Place: Kolkata/ New Delhi
Date: 23rd May, 2019



For India Power Corporation Limited

Raghav Raj Kanoria
Managing Director