



Ref: Sectl/X/002

2nd February, 2017

The Secretary,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051.
Scrip Symbol: DPSCCLTD

The Secretary,
The Calcutta Stock Exchange Ltd,
7, Lyons Range,
Kolkata- 700 001.
Scrip Code: 014021

The Vice President
Metropolitan Stock Exchange of India Ltd
4th floor, Vibgyor Towers, Plot No C 62,
G Block, Opp. Trident Hotel, Bandra Kurla
Complex, Bandra (E), Mumbai- 400098.
Scrip Symbol: DPSCCLTD

Dear Sir(s),

Sub.: Issue & allotment of 112,02,75,823 equity shares and cancellation of 51,61,32,374 equity shares, pursuant to the provisions of the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court at Calcutta vide its Order dated 17th April, 2013

As informed to you earlier, a Scheme of Arrangement and Amalgamation ("Scheme") was sanctioned by the Hon'ble High Court at Calcutta vide its Order dated 17th April, 2013 and the Scheme became effective on 24th May, 2013. A copy of the said Order dated 17th April 2013 is marked "A" and enclosed herewith.

Pursuant to the provisions of the aforesaid Scheme, 112,02,75,823 equity shares of Re. 1/- each of DPSC Limited ("Amalgamated Company") [CIN:L40105WB1919PLC003263] are to be allotted to the shareholders of erstwhile India Power Corporation Limited (erstwhile IPCL) [CIN: U40101WB2003PLC097340] ("Amalgamating Company") in the share swap ratio of 11 (eleven) fully paid-up equity shares of Amalgamated Company for every 100 (one hundred) fully paid-up equity share held by such equity shareholders in the Amalgamating Company as on the Record Date, and 51,61,32,374 equity shares of Re.1/- of the Amalgamated Company held by the Amalgamating Company are to be cancelled.

Subsequent to sanction of the Scheme, SEBI had filed an Application (CA No. 565 of 2013 in CP No. 206 of 2012) with Hon'ble High Court at Calcutta for modification of the said Order dated 17th April, 2013. CA No. 565 of 2013 filed by SEBI has been disposed of by Hon'ble High Court at Calcutta vide its Order dated 27th January, 2017. Copy of the aforesaid Order dated 27th January, 2017 of Hon'ble High Court at Calcutta is marked "B" and enclosed herewith.



India Power Corporation Limited
(Formerly DPSC Limited)

CIN - L40105WB1919PLC003263

Registered Office : Plot No. X1 - 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700091

Ph : +91 33 6609 4300 / 08 / 09 / 10 , Fax : +91 33 2357 2452

Central Office : Sanctoria, P.O. - Dishergarh, District - Burdwan, Pin - 713333 (W.B.)

Ph : (0341) 6600452 / 454 / 455 / 456 / 457, Fax : (0341) 6600464

E-mail : corporate@indiapower.com, Web : www.indiapower.com



In view of the Order dated 17th April, 2013 and Order dated 27th January, 2017 of The Hon'ble High Court at Calcutta, we will be issuing and allotting of 112,02,75,823 equity shares of Re.1/- each of the Amalgamated Company to the shareholders of the Amalgamating Company, and cancelling 51,61,32,374 equity shares of Re.1/- of the Amalgamated Company held by the Amalgamating Company, as per the provisions of the Scheme.

We will be pleased to provide any further clarification/information that you may require in this regard.

Thanking you,

Yours faithfully,

For India Power Corporation Limited


Prashant Kapoor

Company Secretary & Compliance Officer



Encl : As stated

Cc: **National Securities Depository Ltd.,**
Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai- 400 013

Cc: **Central Depository Services (India) Ltd.,**
Phiroze Jeejeebhoy Towers,
17th Floor, Dalal Street,
Mumbai -400 001

Cc: **C. B. Management Services (P) Ltd.**
P-22, Bondel Road,
Kolkata - 700 019

"A"

57-6-5/2013

Company Petition No. 206 of 2012

Connected with

Company Application No. 363 of 2012

In the High Court at Calcutta

Original jurisdiction

In the Matter of:

The Companies Act, 1956;

And

In the Matter of:

Sections 391 to 394 of the Companies Act, 1956;

And

In the Matter of:

Petition under Section 391 to 394 of the Companies Act,
1956;

And

In the Matter of:

Scheme of Arrangement and Amalgamation between
India Power Corporation Limited and DPSC Limited
and their respective Shareholders and Creditors;

And

In the Matter of:

India Power Corporation Limited, a company
incorporated under the provisions of the Companies



Act, 1956, having its Registered Office at "Viswakarma",
86C, Topsia Road (South), Kolkata - 700046, within the
aforesaid jurisdiction.

And

In the matter of:

DPSC Limited, a company incorporated under the
Companies Act, 1956, having its Registered Office at
Plot No.X-1, 2 & 3, Block EP, Sector - V, Salt Lake City,
Kolkata - 700 091, within the aforesaid jurisdiction.

And

In the Matter of:

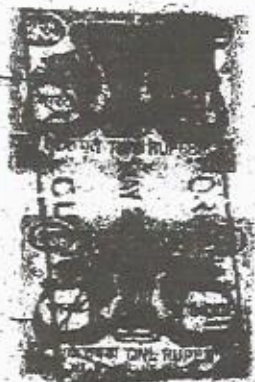
1. **India Power Corporation Limited**
2. **DPSC Limited**

... Petitioner Companies

CP No.206 of 2012

IN THE HIGH COURT AT CALCUTTA
Original Jurisdiction
ORIGINAL SIDE

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IN THE MATTER OF :

INDIA POWER CORPORATION LTD. & DPSC
LTD.

Appearance:

Mr. S.B. Mookherjee, Sr. Adv.
Mr. S. N. Mookherjee, Sr. Adv.
Mr. Debangshu Basak, Adv.
Mr. D. N. Sharma, Adv.
Mr. Utsav Mukherjee, Adv.
...for the petitioner.

Mr. Rajib Mukherjee Adv.
...for the Central Government.

BEFORE:

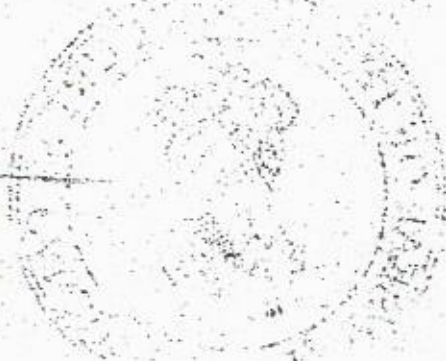
The Hon'ble JUSTICE SANJIB BANERJEE

Date : April 17, 2013.

The Court : This is an application for sanction of a Scheme of Arrangement and Amalgamation between India Power Corporation Limited and DPSC Limited and their respective shareholders and creditors whereby and whereunder, the investment division (as defined in the Scheme) of the petitioner No.1 shall be transferred in terms of Part-III of the Scheme to a Trust and the petitioner No.1 shall be amalgamated with the petitioner No.2 in accordance with Part-IV of the Scheme. The relationship between the petitioner companies is that of holding and subsidiary companies. The petitioner No.1 holds about 93% of the paid up share capital of the petitioner No.2.

By an order dated May 11, 2012 this Court dispensed with the convening and holding of the meeting of the equity shareholders of the petitioner

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No.1 as all the equity shareholders of the petitioner No.1 had given their written consent and approval to the scheme.

The convening and holding of the meeting of the sole secured creditor of the petitioner No.1 who had consented to and approved of the scheme was also dispensed with.

As the unsecured creditors of the petitioner No.1 had given written consent and approval to the scheme this Court also dispensed with the convening and holding of the meeting of the unsecured creditors.

This Court directed that a meeting of the equity shareholders of the petitioner No.2, DPSC Ltd. would be held on June 30, 2012. A meeting of the secured creditors of the petitioner No.2 was also directed to be held on the same day for the purpose of consideration and approving of the scheme with or without modification.

The Chairperson, Ms. Piyali Sengupta has reported that the equity shareholders of the petitioner No.2 had by requisite majority approved the scheme. The same Chairperson has also reported that the secured creditors of the petitioner No.2 had also approved of the scheme.

The secured creditors of the petitioner No.1 had also given their consent in writing approving of the said Scheme of Arrangement and Amalgamation.

By a letter dated June 22, 2012 the debenture trustee for nonconvertible debentures of DPSC Ltd. also conveyed their unconditional approval and consent to the scheme.

The Competition Commission by order dated March 29, 2012 passed

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an order under Section 31(1) of the Competition Act, 2002 approving of the proposed scheme.

On July 19, 2012 the petition for sanction was admitted and directions were given for publication of advertisements in "Business Standard" and "Aajkal" and for hearing of the petition. No creditor or member of either of the petitioner companies came forward to oppose the said scheme. Notice was also given to the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata who filed an affidavit affirmed on January 11, 2013 and submitted 4 observations on the scheme. The first objection was with regard to the scheme containing two appointed dates namely April 1, 2011 and October 1, 2011. The petitioner companies by their letter dated December 20, 2012 addressed to the said Regional Director conveyed their agreement to keep October 1, 2011 as the appointed date.

Another point raised was with regard to the transfer of the investment division of the petitioner No.1 to an irrevocable trust which, according to the Regional Director, was not a transferee company within the meaning of Section 394(4) of the Companies Act, 1956 and therefore the scheme should not be sanctioned.

A third point was raised that the secured creditors pertaining to the investment division of the petitioner No.1 would become unsecured upon such transfer.

Lastly it was contended that the provisions of Section 77 of the Companies Act would be infringed if the scheme was sanctioned.

These points have been answered in the petitioner companies'

affidavit in reply being an affidavit of Manish Goenka and Saikat Bardhan affirmed on February 6, 2013.

The petitioners have agreed to change the Appointed Date-I as mentioned in Clause 1.3.2 of the Scheme to October 1, 2011. While dealing with the second observation the petitioners have contended that the transfer of the assets of the Investment Division of the petitioner No. 1 to an Investment Trust is an arrangement between the petitioner No. 1 and its shareholders in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956. According to the petitioners, there is no prohibition or bar upon a trust through its trustees to hold shares and other securities in an Indian company.

In respect of the third observation made by the Regional Director, the petitioners say that the transfer of the Investment Division to the Investment Trust does not violate the provisions of Section 77 of the Act as there is no financial assistance being provided by the petitioner No.1 for acquisition by the Trust of shares in the petitioner No.1. With respect to the fourth and last observation of the Regional Director the petitioners say that the secured creditors of the petitioner No. 1 have already given their consent in writing to the proposed Scheme and the secured creditors of the petitioner No. 2 have approved the Scheme in the meeting which was held pursuant to direction of the Court and as such the observation sought to be raised by the Regional Director is of no relevance.

Before the final hearing, the petitioner companies by a supplementary affidavit affirmed by Mr. Debi Prasad Patra and Mr. Saikat Bardhan on behalf of the petitioner companies brought on record the audited

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accounts of the India Power Corporation Ltd. as on March 31, 2012 and similarly the balance sheet of DPSC Ltd. for the financial year ended March 31, 2012 was also brought on record.

At the final hearing of the petition for sanction the Court desired to have a final version of the trust deed, a copy whereof was also forwarded to the Regional Director and the Court also required the names of the trustees to be disclosed. The petitioner companies by their supplementary affidavit being the affidavit of Debi Prasad Patra, Director of the petitioner No.1 and Saikat Bardhan being the Company Secretary of the petitioner No.2 affirmed on April 11, 2013 disclosed the names of the three trustees and gave a final version of the trust deed as Annexure to the said supplementary affidavit being Annexure-A.

The observation of the Regional Director to the effect that the Scheme has two Appointed Dates is of no relevance as the petitioners have agreed to have one Appointed Date for the Scheme as indicated above. The secured creditors of both the petitioner companies having consented to the Scheme, the 4th observation of the Regional Director in its affidavit as indicated above is of no relevance as the expression "arrangement" as defined in Section 390 (b) of the Companies Act, 1956 is of wide import. It cannot be said that merely because the Scheme contemplates a transfer of the Investment Division of the petitioner No.1 to an Investment Trust, the Scheme cannot be termed to be a "compromise" or "arrangement" within the meaning of Sections 390 and 391 of the Act. Accordingly, the observation of the Regional Director in this regard is misplaced. The third observation of the Regional Director is also without substance as no financial assistance is being provided by any of the petitioner

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companies to the Investment Trust to acquire shares in any of the petitioner companies.

As the observations of the Regional Director have been duly answered, there appears to be no impediment to the sanction of the scheme. Since the petitioners have agreed to retain only one Appointed Date in the Scheme being October 1, 2011 and the first observation taken by the Regional Director has been considered and dealt with as above. Clause 1.3.2 in Part-I of the Scheme will be amended and read as follows instead of the existing Clause 1.3.2:-

"1.3.2 **"Appointed Date I"**, with reference to Part III of the Scheme means October 1, 2011, being the date with effect from which the Scheme shall, upon sanction of the same by the Court, be deemed to be effective in respect of Part III of this Scheme".

As a consequence, Schedule 2 to the Scheme shall be altered to consist of the assets and liabilities of the investment division of the petitioner No.1 as on October 1, 2011.

Since the petitioners have complied with all the statutory formalities under the Companies Act, 1956 and have already filed the final trust deed and since the observations raised by the Regional Director have been answered. CP No. 206 of 2012 is allowed in terms of prayers (a) to (f) of the petition together with the amended clause 1.3.2 of Part I of the Scheme. Accordingly, Schedule 2 to the Scheme shall stand altered to reflect the assets and liabilities of the Investment Division of the petitioner No.1 as on October 1, 2011. The Accounting following the Scheme should be strictly in accordance with AS-14.

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In case the petitioners supply a computerized printout of the Scheme and the Schedule thereto, the Department will append such computerized printout to the certified copy of the order sanctioning the Scheme without insisting on a handwritten copy thereof.

The final copy of the trust deed annexed to the said supplementary affidavit shall be appended to this order and form part of the Scheme sanctioned by this Court.

C.P.No.206 of 2012 is allowed as above. The petitioner companies shall pay the costs of this application to the Regional Director, Ministry of Corporate Affairs assessed at 2000 GM.

Urgent certified photocopies of this order, if applied for, be given to the parties subject to compliance with all requisite formalities.

7- Exd-
19 6/5/2013
[Signature]

[Signature] Sanjib Banerjee. J.
(Sanjib Banerjee, J.)

CERTIFIED TO BE A TRUE COPY

Prabin K. Das. 06.05.13

Authorised under Section 76 of
the Indian Evidence Act, 1872
(Act-1 of 1872)

IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION
CONSTITUTIONAL WRIT JURISDICTION
ORIGINAL JURISDICTION
SPECIAL JURISDICTION
TESTAMENTARY & INTESTATE JURISDICTION
CIVIL APPELLATE JURISDICTION
ORIGINAL SIDE

- i) Date of application ~~for~~ Copy 18.04.13
ii) Date of notifying the charges. 06.05.13
iii) Date of putting in the charges. 06.05.13
iv) Date on which the copy is ready for delivery. 06.05.13
v) Date of Making over the copy to the applicant. 06.05.13

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Superintendent, 6.5.13
Copyists' Department
High Court, O.S.

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C. A. NO.	363	OF 201
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NO.		OF
C. C. NO.		OF
A. P. NO.		OF
C. P. NO. - 206		OF 201
B.I.F.R. NO.		OF
C. S. NO.		OF
A. P. O./T. NO.		OF
A.P.O. NO.		OF
A. C. O. NO.		OF

IN THE MATTER OF / ~~IN THE GOODS OF~~
India Power Corporation
Ltd & DPSC Ltd.

VERSUS/AND

ORDER/JUDGMENT/DECR.FEE
PASSED BY

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The Hon'ble Justice
Sanjib Banerjee

On 17/04 /2013

Filed this 6th day of May 2013

Shardul S. Shroff
(Adv)



OD-4

CA No. 565 of 2013
CP No. 206 of 2012
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

IN THE MATTER OF :
INDIA POWER CORPORATION LTD. & DPSC LTD.
AND
IN THE MATTER OF:
SECURITIES & EXCHANGE BOARD OF INDIA

BEFORE:
The Hon'ble JUSTICE SANJIB BANERJEE
Date : 27th January, 2017

Appearance:

Mr. S. B. Mookherjee, Sr. Adv.
Mr. S. N. Mookherjee, Sr. Adv.
Mr. Kumarjit Banerjee, Adv.
Mr. D. N. Sharma, Adv.
Mr. Dipen Chatterjee, Adv.
..for IPCL

Mr. Hirak Mitra, Sr. Adv.
Mr. Abhijit Gangopadhyay, Adv.
Ms. Supriya Dubey, Adv.
..for SEBI

Mr. Sunil Singhanian, Adv.
..for UOI

The Court : The application is by the Securities and Exchange Board of India, bitterly complaining of Clause 3.3 included in a scheme of arrangement and amalgamation sanctioned by this Court by an order of April 17, 2013.

SEBI asserts that the relevant clause and the parking of a substantial percentage of the shares in the amalgamated company in a purported trust was in clear violation of the Securities Contracts (Regulation) Rules and

Rules and Orders made under the Securities and Exchange Board of India Act, 1992. In short, the grievance is that as a result of substantial shares in the amalgamated company being parked with the purported trust, the public shareholding in the amalgamated company, which is a listed public company, has stood reduced to 4.32% of its paid-up capital. According to SEBI, the public holding of shares in any listed company may not go below 25% of its paid-up capital.

The amalgamated company seeks to justify the clause on the basis of the special circumstances that resulted in India Power Corporation Limited holding approximately 93% of the shares in Dishergarh Power Supply Company Limited immediately prior to IPCL merging in DPSCL and the amalgamated company being re-christened IPCL after the transferor company. According to the amalgamated company, 57.18% of the paid-up capital in DPSCL was held by government companies and like bodies, including Life Insurance Corporation, United India Assurance and the like. One Descon Limited held 32.31% of the paid-up capital in DPSCL while IPCL held a meagre 1.71% and others held the balance 8.80% thereof. At the relevant point of time, the 57.18% shares held by government companies and like public bodies were treated as the promoters' shareholding and the balance, including Descon's and IPCL's, were regarded as public shareholding.

The amalgamated company further submits that in 2010, IPCL purchased the 57.18% shares held by the promoters in DPSCL at a cost of Rs.171.86 crore. In accordance with the rules applicable to listed companies, the then IPCL had also to make a public offer. A further 1.8%, out of the 8.80%

shares in DPSCL held by the public, was mopped up by the then IPCL. Descon carried a petition under Sections 397 and 398 of the Companies Act, 1956 complaining of the promoters selling their shares to IPCL without offering the same to Descon. The petition did not succeed. In course of the appeal arising out of the order rejecting Descon's petition, the then IPCL agreed to purchase Descon's shares in DPSCL at the same price of Rs.710 per share at which it acquired the 57.18% shares held by the then promoters of DPSCL. The then IPCL thus paid a further sum of Rs.97.12 crore and its total shareholding in DPSCL swelled to about 93% of the paid-up capital of such company.

Under the scheme of arrangement and amalgamation propounded in this Court, some of the investments of the then IPCL and shares equivalent to 40% of the paid-up capital in DPSCL were placed before a trust, with the trustees apparently having no connection with the promoters of the then IPCL or the would-be new promoters of DPSCL upon the scheme of arrangement and amalgamation being sanctioned. The arrangement part of the scheme was the parking of the then IPCL's investments in other companies and its investment equivalent to 40% of the paid-up capital in DPSCL for which a trust was created under the document that received the sanction of Court. The amalgamation part of the scheme was by which the then IPCL merged into DPSCL with a special clause permitting the amalgamated company to take the name of the transferor company rather than the transferee's.

The scheme was sanctioned upon due notice to the Central Government in accordance with the provisions of the said Act of 1956. Indeed, the board of trustees originally suggested on behalf of the applicants to the

company Court did not meet with the immediate approval of the company Court and several of the names were altered to give shape to the final board of trustees.

SEBI, however, suggests that the creation of the trust was clearly illegal and to bypass the mandatory requirement of the quantum of public holding in a listed company. SEBI insists that the trust, if it can be regarded as a trust at all, has to go qua the shares held by the trust in DPSCL.

By an order passed nearly two years back on March 20, 2015, it was proposed that the shares held by the trust in DPSCL, or such complement thereof as would suffice for the purpose of the minimum public shareholding threshold to be reached, would be sold and the sale would be conducted by a committee under the aegis of a nominee of SEBI. This order was made despite the amalgamated company filing affidavits to demonstrate that SEBI had made exceptions in several cases, including in the celebrated case of Wipro Limited. SEBI has, however, maintained that the circumstances leading to the exception being made in the case of Wipro were different. SEBI submits that apart from anything else, Wipro had not attempted to negate the mandatory requirement of the minimum public shareholding by resorting to a scheme and informing SEBI ex post facto. SEBI has also indicated its unwillingness to be directly involved in the sale.

The parties have also referred to a freezing order of June 4, 2013 passed by SEBI in respect of such part of the promoters' shareholding in the amalgamated company that exceeds 75% of the paid-up capital by treating the shares held by the trust to be a part of the promoters' quota, till such time that the minimum public shareholding was achieved by the amalgamated company.

There is no dispute that 4.32% of the paid-up capital in DPSCL is held by members of the public who have no connection with the promoters. For the public shareholding in the amalgamated company to reach the 25% mark, a further 20.68% of the shares in DPSCL has to be offered to the public by some transparent mechanism so that the holders thereof cannot be seen or regarded as persons acting in concert with the present promoters of the amalgamated company. The amalgamated company reports that out of the 40% shares in the amalgamated company held by the trust, 32,63,16,563 shares need to be sold to the public for the 25% minimum public shareholding in the amalgamated company to be achieved. Such 32,63,16,563 shares should be sold by April 30, 2017. The trust should also transfer the balance shares held by the trust in the amalgamated company in favour of such entities as the trust may, on its own or at the direction of the promoters, deem fit. The transfer of the balance shares, other than the 32,63,16,563 shares, should be completed by March 31, 2017 such that upon the sale of the shares to the public, the trust does not own or control any further shares in the amalgamated company. As to whether the trust will continue for the purpose of the other investments under the scheme, is not required to be gone into for the present purpose.

The trust will cite this order and make a public offer for sale of the said 32,63,16,563 shares. Advertisements in such regard will be published in such newspapers as may be suggested by SEBI within a week of the form of the advertisement being forwarded to the office of SEBI in Kolkata. Such form of the advertisement should be forwarded to the relevant office within three weeks from date. The directions herein are in modification of the interim order of February

20, 2015 that restrains the amalgamated company from dealing with its shares. However, the interim order will continue for all other purposes till such time that the trust transfers the balance shares, other than those to be sold to the public, and the shares meant to be sold to the public are so sold.

It is made clear that the sale of the 32,63,16,563 shares may be in several tranches as long as the entire quantum is sold by April 30, 2017. At any rate, the entire quantum of the said shares should be offered to be sold to the public at least a fortnight before April 30, 2017. The sale of the shares will be in accordance with the rules and regulations governing the same.

CANo.565 of 2013 is disposed of without any order as to costs.

The observation as to the conduct of the companies which were parties to the scheme contained in the order dated February 20, 2015 was not called for and the same should be disregarded.

Urgent certified website copies of this order, if applied for, be supplied to the parties upon compliance with all requisite formalities.

(SANJIB BANERJEE, J.)

kc/bp